Form 3160-3 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPRO	VEI
OMB No. 1004-	013
Expires July 31.	201

5. Lease Serial No. UTU0282

PLICATION FOR PERMIT TO DRILL OR REENTER	If Indian, Allottee or Tribe Name

1a. Type of Work: DRILL REENTER		7. If Unit or CA Agreement, Name and No. CHAPITA WELLS UNI	
lb. Type of Well: ☐ Oil Well Gas Well ☐ Ott	ner Single Zone Multiple Zone	Lease Name and Well No. CHAPITA WELLS UNIT 1207-24	
	MARY A. MAESTAS aestas@eogresources.com	9. API Well No. 43-047-39899	
3a. Address 3b. Phone No. (include area code) 1060 EAST HIGHWAY 40 Ph: 303-824-5526 VERNAL, UT 84078 Ph: 303-824-5526		10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERDE	
4. Location of Well (Report location clearly and in accorda	nce with any State requirements.*)	11. Sec., T., R., M., or Blk. and Survey or Area	
At surface NWNW 663FNL 624FWL 4	0.02692 N Lat, 109.39556 W Lon	Sec 24 T9S R22E Mer SLB	
At proposed prod. zone NWNW 663FNL 624FWL 4	0.02692 N Lat, 109.39556 W Lon		
 Distance in miles and direction from nearest town or post office* 49.7 MILES SOUTH OF VERNAL, UTAH 		12. County or Parish UINTAH 13. State UT	
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig, unit line, if any)	16. No. of Acres in Lease	17. Spacing Unit dedicated to this well	
624'	2440.00		
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth	20. BLM/BIA Bond No. on file	
1180'	9470 MD	NM2308	
21. Elevations (Show whether DF, KB, RT, GL, etc. 4971 GL	22. Approximate date work will start	23. Estimated duration 45 DAYS	
24. Attachments			
The following, completed in accordance with the requirements o	f Onshore Oil and Gas Order No. 1, shall be attached to t	his form:	

- 1. Well plat certified by a registered surveyor.
- A Drilling Plan.
 A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the

25 Signature Restronic Submission au m	Name (Printed/Typed) MARY A. MAESTAS Ph: 303-824-5526	Date 12/19/2007
Title REGULATORY ASSISTANT	to the second se	
Approved by (September)	Name (Printe BRADLEY G. HILL ENVIRONMENTAL MANAGER	Date 08-08
Title	Office	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Electronic Submission #57670 verified by the BLM Well Information System For EOG RESOURCES INC, sent to the Vernal

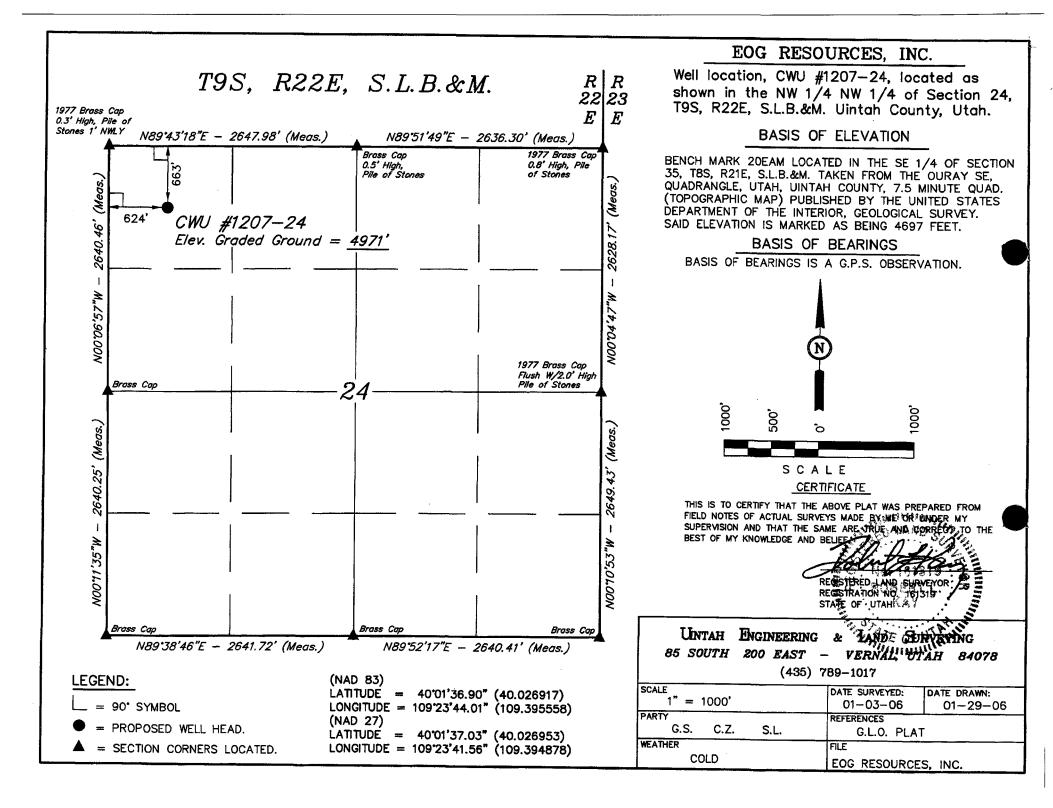
Federal Approval of this Action is Necessary

RECEIVED DEC 2 4 2007

DIV. OF OIL, GAS & MINING

44317764 40.024982 109.394864

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **



CHAPITA WELLS UNIT 1207-24 NW/NW, SEC. 24, T9S, R22E, S.L.B.&M. UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,781		Shale	
Wasatch	4,768		Sandstone	
Chapita Wells	5,339		Sandstone	
Buck Canyon	5,987		Sandstone	
North Horn	6,776		Sandstone	
KMV Price River	7,095	Primary	Sandstone	Gas
KMV Price River Middle	7,963	Primary	Sandstone	Gas
KMV Price River Lower	8,757	Primary	Sandstone	Gas
Sego	9,263		Sandstone	
TD	9,470			

Estimated TD: 9,470' or 200'± below Sego top

Anticipated BHP: 5,171 Psig

- 1. Fresh Waters may exist in the upper, approximately 1,000 ft \pm of the Green River Formation, with top at about 2,000 ft \pm .
- 2. Cement isolation is installed to surface of the well isolating all zones by cement.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig

BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	<u>Hole</u> Size	<u>Length</u>	<u>Size</u>	WEIGHT	<u>Grade</u>	<u>Thread</u>	Rating Collapse	<u>Factor</u> <u>Burst</u>	Tensile
Conductor	17 1/2"	0 – 45'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 1/4"	0 – 2,300° KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface - TD	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#
									,

Note: 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5%" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

CHAPITA WELLS UNIT 1207-24 NW/NW, SEC. 24, T9S, R22E, S.L.B.&M. UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0'- 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of its. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

<u>Production Hole Procedure (2300' \pm - TD):</u> Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'±-TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

CHAPITA WELLS UNIT 1207-24 NW/NW, SEC. 24, T9S, R22E, S.L.B.&M. **UINTAH COUNTY, UTAH**

8. EVALUATION PROGRAM:

Logs:

Mud log from base of surface casing to TD.

Cased-hole Logs:

Cased-hole logs will be run in lieu of open-hole logs consisting of the following:

Cement Bond / Casing Collar Locator and Pulsed Neutron

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead:

185 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCI₂, 3 lb/sx GR3

1/4 #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail:

207 sks Class "G" cement with 2% CaCI₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2

gps water.

Top Out: As necessary with Class "G" cement with 2% CaCI₂, ½#/sk Flocele mixed at 15.6 ppg, 1.18

ft³/sk., 5.2 gps water.

Note:

Cement volumes will be calculated to bring lead cement to surface and tail cement to

500'above the casing shoe.

Production Hole Procedure (2300'± - TD)

Lead:

142 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44

(Salt),0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29

(cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail:

915 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13

(Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at

14.1 ppg, 1.28 ft³/sk., 5.9gps water.

Note:

The above number of sacks is based on gauge-hole calculation.

Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe. Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

Final Cement volumes will be based upon gauge-hole plus 45% excess.

CHAPITA WELLS UNIT 1207-24 NW/NW, SEC. 24, T9S, R22E, S.L.B.&M. UINTAH COUNTY, UTAH

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'±-TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

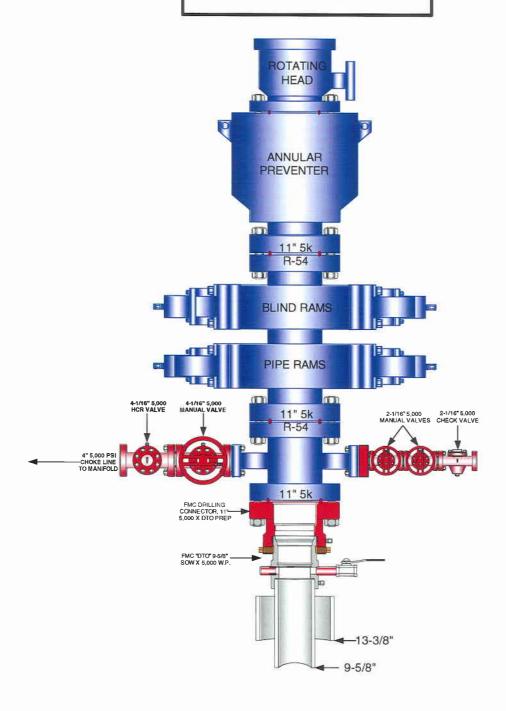
12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

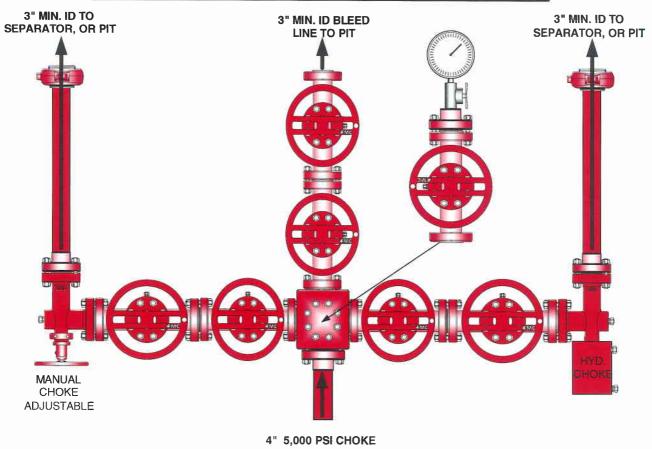
EOG RESOURCES 11" 5,000 PSI W.P. BOP CONFIGURATION

PAGE 1 OF 2



EOG RESOURCES CHOKE MANIFOLD CONFIGURATION W/ 5,000 PSI WP VALVES

PAGE 2 0F 2



4" 5,000 PSI CHOKE LINE FROM HCR VALVE

Testing Procedure:

- 1. BOP will be tested with a professional tester to conform to Onshore Order #2.
- 2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
- 3. Annular Preventer will be tested to 50% working pressure, 2,500 psi. Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
- 4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
- 5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.



Chapita Wells Unit 1207-27 NWNW, Section 24, T9S, R22E Uintah County, Utah

SURFACE USE PLAN

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. New surface disturbance associated with the well pad 1.84 acres.

1. EXISTING ROADS:

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 49.7 miles south of Vernal, Utah See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

- A. The existing access road for the Chapita Wells Unit 326-24 will be used to access the proposed location. No new road will be required.
- B. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

All travel will be confined to existing access road rights-of-way.

Traveling off the 40-foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:

See attached TOPO map "C" for the location of wells within a one-mile radius.

4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:

A. On Well Pad

- Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400-bbl vertical tanks and attaching piping.
- Gas gathering lines A 4" gathering line will be buried from dehy to the edge of the location.

B. Off Well Pad

1. No new off-pad pipeline will be required. The existing pipeline for the Chapita Wells Unit 326-24 will be used to transport gas from the proposed location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. All facilities will be painted with Carlsbad Canyon or Covert Green. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. Water supply will be Bonanza Power Plant water source in Sec 26, T8S, R23E, Uintah County, UT (State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.
- B. Water will be hauled by a licensed trucking company.
- No water well will be drilled on lease.

6. Source of Construction Materials:

- A. All construction material for this pipeline will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL:

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.

- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD, CWU 2-29 SWD, Red Wash Evaporation ponds 1, 2, 3 or 4 or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
- 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit, through natural or artificial methods, or removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt, and a 16-millimeter plastic liner. Sufficient bedding (i.e. weed free straw, or hay; felt; polyswell or soil) will be used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

8. ANCILLARY FACILITIES:

None anticipated.

9. WELL SITE LAYOUT:

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the southeast corner of the location. The flare pit will be located downwind of the prevailing wind direction on the south side of the location, a minimum of 100 feet from the wellhead and 30 feet from the reserve pit fence.

The existing topsoil pile will not be used during construction. The stockpiled pit topsoil (first six inches) will be stored separate from the location topsoil west of pit corner B. The stockpiled location topsoil will be stored in a location providing easy access for interim reclamation and protection of the topsoil. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the west.

The corners of the well pad will be rounded off as needed to minimize excavation.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.

E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. Interim Reclamation (Producing Location)

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of the well completion, or as soon as environmental conditions allow. Before any dirt takes place, the reserve pit must be completely dry and free of all foreign obstacles.

The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
HyCrest Wheatgrass	9.0
Prostrate Kochia	3.0

^{*}Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

B. Dry Hole/Abandoned Location

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Fourwing Saltbush	3.0
Shadscale	3.0
Indian Ricegrass	2.0
HyCrest Wheatgrass	1.0

^{*}Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

11. SURFACE OWNERSHIP:

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

Bureau of Land Management

12. OTHER INFORMATION:

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:
 - Whether the materials appear eligible for the National Register of Historic Places;
 - The mitigation measures the operator will likely have to undertake before the site can be used.

 A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application or herbicides or other pesticides or possible hazardous chemicals.
- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)
- D. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A cultural resources survey was conducted and submitted by Montgomery Archaeological Consultants on March 28, 2006. A paleontological survey was conducted and submitted by Intermountain Paleo on June 23, 2006.

Additional Surface Stipulations:

None.

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT

Mary A. Maestas EOG Resources, Inc. 1060 East Highway 40 Vernal, UT 84078 (435) 781-9111

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

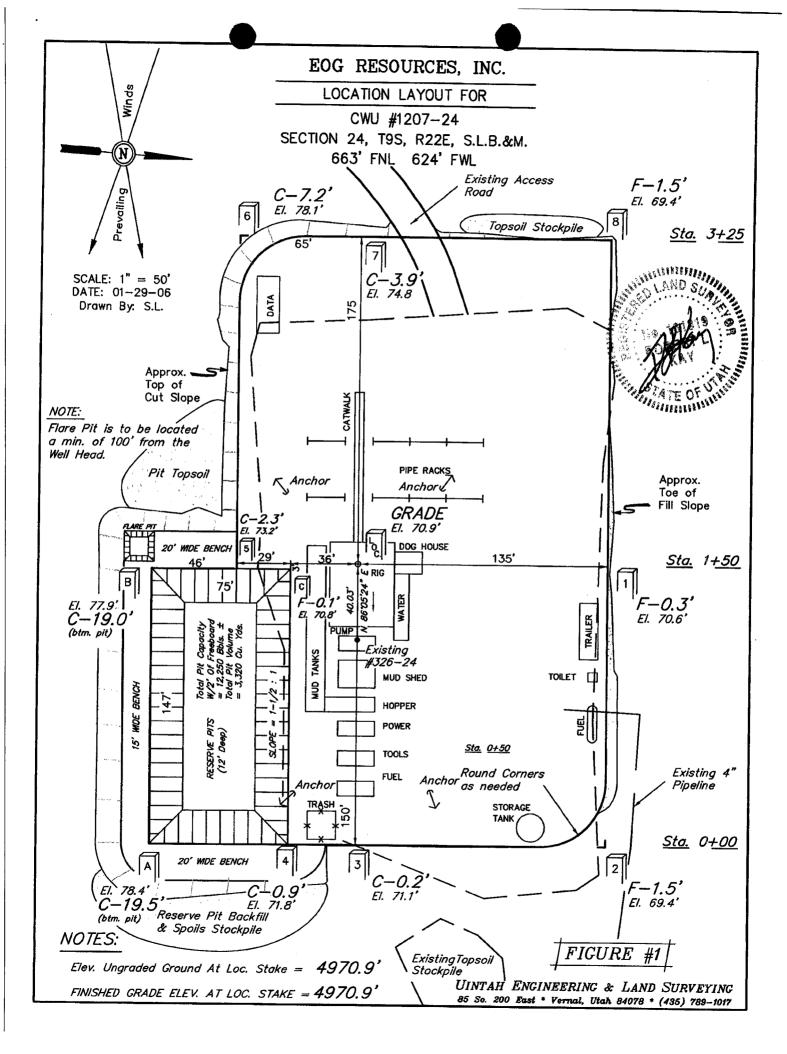
Please be advised that EOG Resources, Inc. is considered to be the operator of the Chapita Wells Unit 1207-24 Well, located in the NWNW, of Section 24, T9S, R22E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

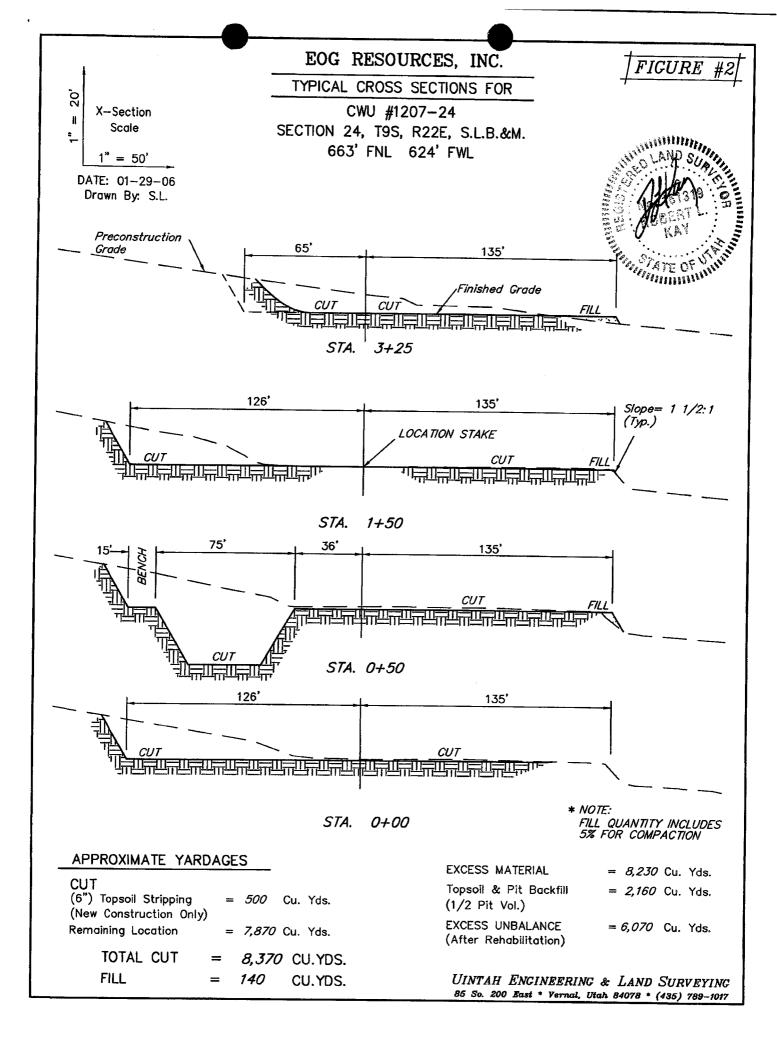
December 19, 2007

Date

Mary A. Maestas, Regulatory Assistant

Date of onsite: December 6, 2007





EOG RESOURCES, INC. CWU #1207-24 LOCATED IN UINTAH COUNTY, UTAH

SECTION 24, T9S, R22E, S.L.B.&M.



PHOTO: VIEW FROM

CAMERA ANGLE: NORTHERLY

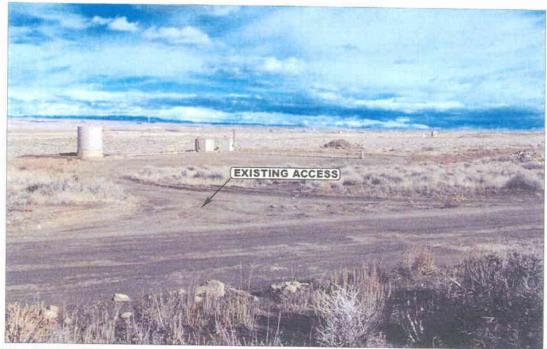


PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: NORTHEASTERLY



Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078 435-789-1017 Vernal, Utah 84078 uels@uelsinc.com

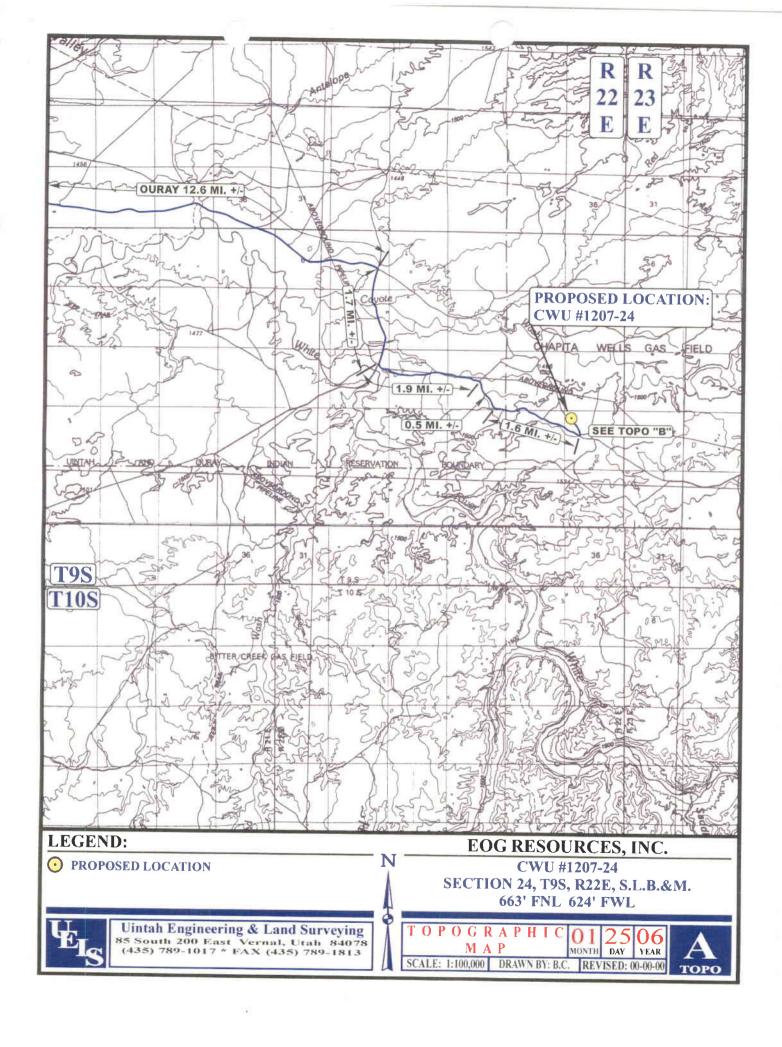
LOCATION PHOTOS

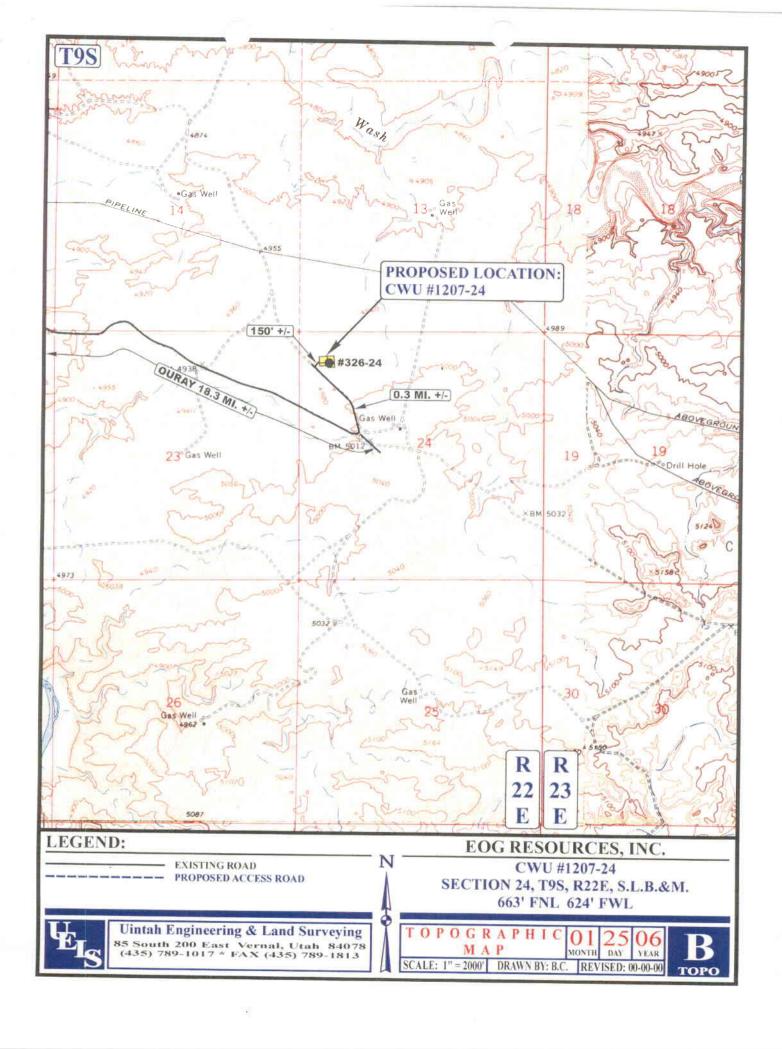
O1 25 06 MONTH DAY YEAR

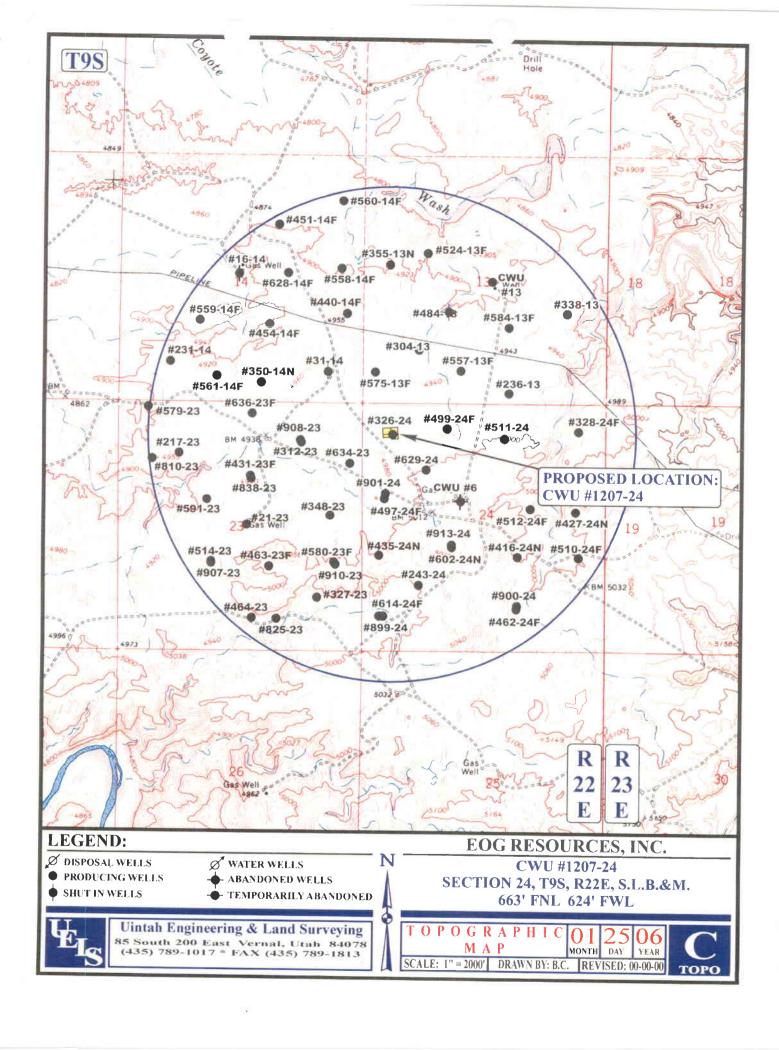
РНОТО

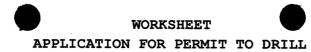
TAKEN BY: G.S.

DRAWN BY: B.C. REVISED: 00-00-00

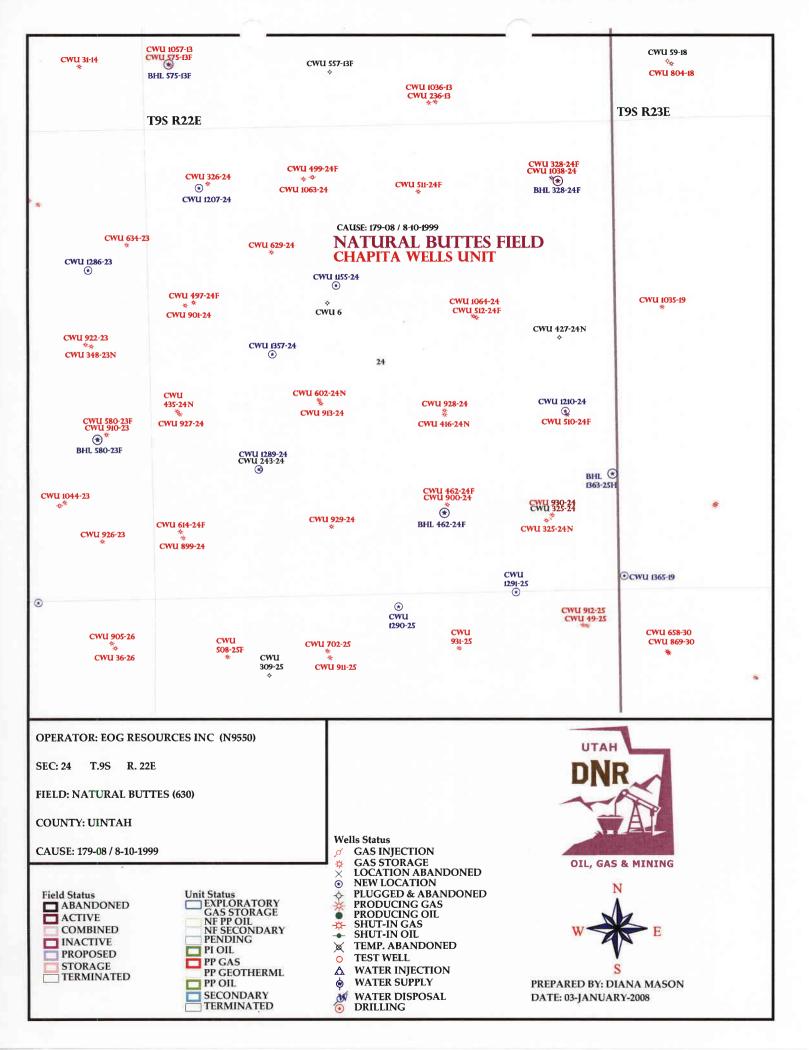








APD RECEIVED: 12/24/2007		API NO. ASSIG	NED: 43-047	-39899
WELL NAME: CWU 1207-24			<u> </u>	· · · · · · · · · · · · · · · · · · ·
OPERATOR: EOG RESOURCES, INC. (N9550)		PHONE NUMBER:	303-824-5526	ố
CONTACT: MARY MAESTAS				· · · · · · · · · · · · · · · · · · ·
PROPOSED LOCATION:		INSPECT LOCATN	BY: /	/
NWNW 24 090S 220E SURFACE: 0663 FNL 0624 FWL		Tech Review	Initials	Date
BOTTOM: 0663 FNL 0624 FWL		Engineering		
COUNTY: UINTAH		Geology		
LATITUDE: 40.02698 LONGITUDE: -109.3949				
UTM SURF EASTINGS: 636967 NORTHINGS: 44317 FIELD NAME: NATURAL BUTTES (630		Surface		
LEASE TYPE: 1 - Federal LEASE NUMBER: UTU0282 SURFACE OWNER: 1 - Federal		PROPOSED FORMAT)
RECEIVED AND/OR REVIEWED:	LOCATI	ON AND SITING:		
Plat	R	649-2-3.		
Bond: Fed[1] Ind[] Sta[] Fee[] (No. NM2308)	Unit:_	CHAPITA WELLS		· · · · · · · · · · · · · · · · · · ·
H Potash (Y/N)	R	649-3-2. Gener	al	
Oil Shale 190-5 (B) or 190-3 or 190-13	S	iting: 460 From Qt	tr/Qtr & 920' B	etween Wells
Water Permit	R	649-3-3. Excep	tion	
(No. $\frac{49-225}{\text{RDCC Review (Y/N)}}$)		rilling Unit		
		Board Cause No: Eff Date:	179-8	
Fee Surf Agreement (Y/N)		Siting: Suspend	8-10-199	Dr7120
Intent to Commingle (Y/N)		.649-3-11. Dire) (1
		- Dile	CCTOHAT DITT	- - -
COMMENTS:				
STIPULATIONS: 1- foder (Opposite Street) 2-01 Street	ng()			



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO: 3160 (UT-922)

January 8, 2008

Memorandum

To:

Assistant District Manager Minerals, Vernal District

From:

Michael Coulthard, Petroleum Engineer

Subject:

2008 Plan of Development Chapita Wells Unit Uintah

County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2008 within the Chapita Wells Unit, Uintah County, Utah.

API#

WELL NAME

LOCATION

(Proposed PZ Wasatch)

43-047-39894 CWU 723-28 Sec 28 T09S R23E 1982 FNL 1653 FWL 43-047-39902 CWU 705-29 Sec 29 T09S R23E 1354 FNL 0957 FWL 43-047-39896 CWU 727-29 Sec 29 T09S R23E 0473 FNL 2136 FWL 43-047-50023 CWU 743-02 Sec 02 T09S R22E 2269 FSL 0986 FEL

(Proposed PZ MesaVerde)

43-047-39895 CWU 1046-30 Sec 30 T09S R23E 1148 FNL 0811 FEL 43-047-39898 CWU 1210-24 Sec 24 T09S R22E 2021 FSL 0576 FEL 43-047-39899 CWU 1207-24 Sec 24 T09S R22E 0663 FNL 0624 FWL 43-047-39900 CWU 1357-24 Sec 24 T09S R22E 2556 FNL 1406 FWL 43-047-50025 CWU 952-32 Sec 32 T09S R23E 0704 FNL 0858 FWL 43-047-50024 CWU 1030-32 Sec 32 T09S R23E 2166 FSL 0510 FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

hee:

File - Chapita Wells Unit

Division of Oil Gas and Mining

Central Files Agr. Sec. Chron Fluid Chron



GARY R. HERBERT
Lieutenant Governor

State Outah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

January 8, 2008

EOG Resources, Inc. 1060 East Highway 40 Vernal, UT 84078

Re:

Chapita Wells Unit 1207-24 Well, 663' FNL, 624' FWL, NW NW, Sec. 24, T. 9 South,

R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39899.

Sincerely,

Gil Hunt

Associate Director

pab Enclosures

cc:

Uintah County Assessor

Bureau of Land Management, Vernal Office



Operator:	EOG Resources,	Inc.		
Well Name & Number	Chapita Wells Unit 1207-24			
API Number:	43-047-39899			
Lease:	UTU0282			
Location: <u>NW NW</u>	Sec. <u>24</u>	T. 9 South	R. <u>22 East</u>	

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

• Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dustin Doucet at (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
- 5. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

Form 3160-3 (August 2007)

RECEIVED

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

DEC 2 0 2007

FORM APPROVED OMB No. 1004-0136 Expires July 31, 2010

APPLICATION FOR PERMIT TO DRILL OR REENT

5. Lease Serial No. UTU0282

6. If Indian, Allottee or Tribe Name

1a. Type of Work: ☐ DRILL ☐ REENTER		7. If Unit or CA Agreement, Name and No. UTU63013AN	
		8. Lease Name and Well No.	
1b. Type of Well: ☐ Oil Well ☐ Gas Well ☐ Oth	ner Single Zone Multiple Zone	CWU 1207-24	
2. Name of Operator Contact:	MARY A. MAESTAS	9. API Well No.	
	aestas@eogresources.com	42-047-39099	
3a. Address	3b. Phone No. (include area code)	#3-0#7-39899 10. Field and Pool, or Exploratory	
1060 EAST HIGHWAY 40 VERNAL, UT 84078	Ph: 303-824-5526	NATURAL BUTTĖS	
4. Location of Well (Report location clearly and in accorded	nce with any State requirements.*)	11. Sec., T., R., M., or Blk. and Survey or Area	
At surface NWNW 663FNL 624FWL	40.02692 N Lat, 109.39556 W Lon	Sec 24 T9S R22E Mer SLB SME: BLM	
At proposed prod. zone NWNW 663FNL 624FWL	40.02692 N Lat, 109.39556 W Lon	SIVIE. BLIVI	
 Distance in miles and direction from nearest town or post of 49.7 MILES SOUTH OF VERNAL, UTAH 	ice*	12. County or Parish 13. State UINTAH UT	
15. Distance from proposed location to nearest property or	16. No. of Acres in Lease	17. Spacing Unit dedicated to this well	-
lease line, ft. (Also to nearest drig. unit line, if any) 624'	2440.00		
18. Distance from proposed location to nearest well, drilling,	19. Proposed Depth	20. BLM/BIA Bond No. on file	
completed, applied for, on this lease, ft.		•	
1180	9470 MD	NM2308	
21. Elevations (Show whether DF, KB, RT, GL, etc. 4971 GL	22. Approximate date work will start	23. Estimated duration 45 DAYS	•
	24. Attachments		
The following, completed in accordance with the requirements of (Onshore Oil and Gas Order No. 1, shall be attached to this	orm:	
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest Syster SUPO shall be filed with the appropriate Forest Service Office 	4. Bond to cover the operation Item 20 above). a Lands, the 5. Operator certification	is unless covered by an existing bond on file (see rmation and/or plans as may be required by the	
25. Signature (Electronic Submission)	Name (Printed/Typed) MARY A. MAESTAS Ph: 303-824-5526	Date 12/19/2007	
Title REGULATORY ASSISTANT			-
Approved by (Signature)	Name (Printed/Typed)	Date	
In Tours	JEARS KENCEKA	5-9-2008	
Title Menager	Office	10-7-200	
Lenda & Mineral Resources	VERNAL FIELD OFFICE		
Application approval does not warrant or certify the applicant holo operations thereon. Conditions of approval, if any, are attached.		•	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, m	ake it a crime for any person knowingly and willfully to m	ake to any department or agency of the United	

Electronic Submission #57670 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal
Committed to AFMSS for processing by GAIL JENKINS on 12/20/2007 (08GXJ1215AE)
RECEIVED

MAY 27 2008

UDO6m

DIV. OF OIL, GAS & MINING

NOTICE OF APPROVAL NUS.



UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT VERNAL FIELD OFFICE

VERNAL FIELD OFFICE VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: EOG Resources, Inc. Location: NWNW, Sec. 24, T9S, R22E

Well No: Chapita Wells Unit 1207-24 Lease No: UTU-0282

API No: 43-047- 39899 Agreement: Chapita Wells Unit

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
Supervisory NRS/Enviro Scientist:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	(435) 828-3544
NRS/Enviro Scientist:	James Herford	(435) 781-3412	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7482
NRS/Enviro Scientist:		(435) 781-3400	(435) 828-3544
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	(435) 828-3546
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Darren Williams	(435) 781-4447	(435) 828-4029
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545
		F (405) H04 0400	· ·

Fax: (435) 781-3420

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.

NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	- Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	- Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	- Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	 Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

Page 2 of 6 Well: CWU 1207-24 5/8/2008

SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

Site Specific Conditions of Approval

- If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.
- Bury pipeline at all low water crossings.
- Permission from an authorized BLM representative would be required if construction or other operations occur during wet conditions that would lead to excessive rutting.
- Permission to clear all wildlife stipulations would only be approved by the BLM wildlife biologist during the specific timing for the species potentially affected by this action.
- Culverts and gravel may be installed as needed.

Page 3 of 6 Well: CWU 1207-24 5/8/2008

DOWNHOLE PROGRAM CONDITIONS OF APPROVAL (COAs)

SITE SPECIFIC DOWNHOLE COAs:

- Production casing cement shall be brought up and into the surface casing. The minimum cement top is 200 ft above the surface casing shoe.
- COA specification is consistent with operators performance standard stated in APD.
- A variance is granted for Onshore Order #2 Drilling Operations III. E. "Blooie line discharge 100 feet from well bore and securely anchored" Blooie line can be 75 feet.
- All requirements will be adhered to covering air/gas drilling operations as described in Onshore Order #2 III. E.
- Drilling Operations, Special Drilling Operations, air/gas drilling.
- Covering air/gas drilling operations, requirements will be adhered to covering air/gas drilling operations as described in Onshore Order #2 III. E. 1. Drilling Operations, Special Drilling Operations, air/gas drilling.
- A Gamma Ray well Log shall be run from the well Total Depth to the surface.
- A copy of the Gamma Ray well Log shall be submitted to the BLM Vernal Field Office.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the
 daily drilling report. Components shall be operated and tested as required by Onshore Oil &
 Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be
 performed by a test pump with a chart recorder and <u>NOT</u> by the rig pumps. Test shall be
 reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

Page 4 of 6 Well: CWU 1207-24 5/8/2008

- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- · Cement baskets shall not be run on surface casing.
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water
 is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM.
 Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM,
 Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum
 Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the <u>top of cement</u> and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be

Page 5 of 6 Well: CWU 1207-24 5/8/2008

notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:

- o Operator name, address, and telephone number.
- Well name and number.
- Well location (¼¼, Sec., Twn, Rng, and P.M.).
- Date well was placed in a producing status (date of first production for which royalty will be paid).
- The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
- The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
- Unit agreement and/or participating area name and number, if applicable.
- o Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field
 Office Petroleum Engineers will be provided with a date and time for the initial meter calibration
 and all future meter proving schedules. A copy of the meter calibration reports shall be
 submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API

Page 6 of 6 Well: CWU 1207-24 5/8/2008

standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.

- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted
 to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs
 first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be
 adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively
 sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover
 equipment shall be removed from a well to be placed in a suspended status without prior
 approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30
 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given
 before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

Form 3160-5 (February 2005)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OM B No. 1004-0137 Expires: March 31, 2007

SUNDRY NOTICES AND	DEPORTS ON WELLS	5. Lease Senai No. Multiple (See Attached)
Do not use this form for propo	seals to drill or to recenter an	6. If Indian, Allottee or Tribe Name
abandoned well. Use Form 316	0-3 (APD) for such proposals.	o. If mulan, Another of Title Name
SUBMIT IN TRIPLICATE- Other	r instructions on reverse side.	7. If Unit or CA/Agreement, Name and/or No.
I. Type of Well Gas Well G	Other	Chapita Wells Unit
2 Name of Operator	Sulli	8. Well Name and No. Multiple (See Attached)
EOG Resources, Inc.		9. API Well No.
3a Address 1060 E. HWY 40 Vernal, UT 84078	3b. Phone No. (include area code) 435-789-0790	Multiple (See Attched)
4. Location of Well (Footage, Sec., T., R., M., or Survey Descr		10. Field and Pool, or Exploratory Area Natural Buttes
Multiple (See Attached)	CWU 1207-24	11. County or Parish, State
	95 22E 24	Uintah County, Utah
12. CHECK APPROPRIATE BOX(E	S) TO INDICATE NATURE OF NOTICE,	REPORT, OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTION	
Acidize Notice of Intent Alter Casing	Deepen Production (S	Start/Resume) Water Shut-Off
7 Inter Casing	Fracture Treat Reclamation	Well Integrity
Subsequent Report Casing Repair Change Plans	New Construction Recomplete Plug and Abandon Temporarily	Other Air Drilling Variance
Final Abandonment Notice Convert to Injection		
EOG Resources, Inc. respectfully requests author	ization for air drilling operations, see attached.	
COPY SENT TO OPERATOR Date: 10.14.2008		RECEIVED
Initials: KS		SEP 2 2 2008
14. I hereby certify that the foregoing is true and correct		DIV. OF OIL, GAS & MINING
Name (Printed/Typed) Mickenzie Thacker	Title Operations Clerk	
Signature Midlemia Tradell		09/17/2008
THIS SPACE F	OR FEDERAL OR STATE OFFICE	USE
Approved by SUUL	Title Pet En	9. Date 10/7/08
Conditions of approval, if any, are attached. Approval of this is certify that the applicant holds legal or equitable title to those rewhich would entitle the applicant to conduct operations thereone.	rights in the subject lease Office	Federal Approval Of This

which would entitle the applicant to conduct operations thereon.

Action Is Necessary

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

43-047-39163	UTU-0284-A	CWU 1161-22	1159' FSL 1241' FWL	SWSW
				Sec. 22 T9S R22E
43-047-39593	UTU-0282	CWU 1180-14	373' FNL 1370' FEL	NWNE
				Sec. 14 T9S R22E
43-047-39592	UTU-0281	CWU 1181-10	624' FSL 455' FEL	SESE
			,	Sec. 10 T9S R22E
43-047-39610	UTU-0282	CWU 1206-14	1909' FNL 2073' FWL	SENW
				Sec. 14 T9S R22E
43-047-39899	UTU-0282	CWU 1207-24	663' FNL 624' FWL	NWNW
42.047.20007	LITH 0000	C)A(I 4200 04	757 ENI 0000 EEI	Sec. 24 T9S R22E
43-047-39907	UTU-0282	CWU 1208-24	757' FNL 2238' FEL	NWNE
43-047-39898	UTU-0282	CWU 1210-24	2021' FSL 576' FEL	Sec. 24 T9S R22E NESE
43-047-39090	010-0202	CVVO 1210-24	2021 F3L 370 FEL	Sec. 24 T9S R22E
43-047-38541	UTU-0281	CWU 1211-12	726' FNL 825' FEL	NENE
				Sec. 12 T9S R22E
43-047-38672	UTU-01304	CWU 1227-06	817' FNL 702' FEL	NENE
				Sec. 6 T9S R23E
43-047-38429	UTU-0343	CWU 1228-07	415' FNL 261' FWL	NWNW
				Sec. 7 T9S R23E
43-047-39638	UTU-0285-A	CWU 1279-28	278' FNL 188' FEL	NENE
				Sec. 28 T9S R22E
43-047-50006	UTU-29535	CWU 1296-30	1192' FSL 1312' FEL	SESE
40.047.00040	LITLLOGGO	0)1111100445	4.401 ENII. 4.0071 EVAII	Sec. 30 T9S R23E
43-047-39616	UTU-0283-A	CWU 1334-15	142' FNL 1397' FWL	NENW Sec. 15 T9S R22E
43-047-39512	UTU-0283-A	CWU 1335-15	10' FNL 1330' FEL	NWNE
75-047-59512	010-0205-7	0000 1333-13	TO THE 1330 FEE	Sec. 15 T9S R22E
43-047-39513	UTU-0283-A	CWU 1338-15	1850' FSL 1750' FWL	NESW
			,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	Sec. 15 T9S R22E
43-047-39620	UTU-0284-A	CWU 1339-22	162' FNL 1330' FWL	NENW
				Sec. 22 T9S R22E
43-047-39653	UTU-0284-A	CWU 1342-22	1330' FNL 1100' FWL	SWNW
10.01-00-00	1,1771,1,000	0.000		Sec. 22 T9S R22E
43-047-39623	UTU-0284-A	CWU 1344-22	1163' FNL 120' FEL	NENE
42 047 20050	LITH OOGA A	C\\(\(\) \\ \\ \ \ \ \ \ \ \ \ \ \ \ \ \	25/5' FOL 7' FF!	Sec. 22 T9S R22E
43-047-39652	UTU-0284-A	CWU 1346-22	2545' FSL 7' FEL	NESE Sec. 22 T9S R22E
43-047-39686	UTU-0284-A	CWU 1348-22	25' FSL 25' FEL	SESE SESE
70-047-03000	010-0204-71	00001040-22	ZU I OL ZU I LL	Sec. 22 T9S R22E
43-047-50005	UTU-0285-A	CWU 1350-27	1229' FNL 1509' FWL	NENW
				Sec. 27 T9S R22E
43-047-39677	UTU-0282	CWU 1353-23	2570' FSL 1330' FWL	NESW
				Sec. 23 T9S R22E
43-047-39688	UTU-0282	CWU 1354-23	1181' FSL 2551' FEL	SWSE
			Service de la constant de la constan	Sec. 23 T9S R22E

Air Drilling Operations:

- 1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- 2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- 3. Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
- 4. The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
- 5. Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
- 6. EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 1 Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations

- 1. EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
- 2. EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
- 3. EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by water mist.
- 4. EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- 5. EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Cor	npany:_		EOG	RESOUI	RCES I	NC		
Well Name	•		CW	<u>U 1207-24</u>				
Api No:	43-04	7-39899			_Lease ′	Гуре:	FEDERAL	
Section 24	_Towns	hip <u>09S</u>	Range_	22E	_County	7	UINTAH	
Drilling Con	ntractor_	CRAIG	'S ROUST	ABOUT S	ERV	_RIG#_	RATHOLE	
SPUDDE	D:							
	Date	<u> </u>	09/28/08					
	Time _		7:30 PM	<u></u>				
	How_		DRY					
Drilling wi	II Com	mence:						
Reported by			JER	RY BARI	NES			
Telephone #			(435) 828-1720	0			_
Date	09/29//0)8	Signed_	СНІ)			

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM

Operator:

EOG RESOURCES

Operator Account Number: N 9550

Address:

1060 East Highway 40

city VERNAL

state UT zip 84078 Phone Number: (435) 781-9145

Well 1

API Number	Well	Name	QQ Sec Twp Rng Cour				County	
43-047-39988	CHAPITA WELLS U	NIT 1132-19	SENW 19 9S			23E UINTAH		
Action Code	Current Entity Number	New Entity Number	S	Spud Date		Entity Assignment Effective Date		
#B	99999	13650	9/26/2008		9/30/08			

Well 2

API Number	Well	Name	QQ Sec Twp R				Rng County		
43-047-39689	CHAPITA WELLS U	VIT 1080-25	SESW 25 9S			22E UINTAH			
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date			
*B	99999	13650	9)/28/200	8	9	130/08		
Comments: MES	AVERD WELL					-			

Well 3

43-047-39899	CHAPITA WELLS UN		1					
	CHAPITA WELLS ON	III 1207-24	NWNW	WNW 24 9S 22E UII			UINTAH	
Action Code	Current Entity Number	New Entity Number	Spud Date		oud Date		y Assignment ective Date	
*B	99999	13650	9.	/28/200	8	9/30/08		

ACTION CODES:

- A Establish new entity for new well (single well only)
- **B** Add new well to existing entity (group or unit well)
- C Re-assign well from one existing entity to another existing entity
- D. Re-assign well from one existing entity to a new entity
- E Other (Explain in 'comments' section)

RECEIVED SEP 2 9 2008

Mickenzie Thacker

Name (Please Print)

Signature Operations Clerk

Title

9/29/2008

Date

(5/2000)

Form 3160-5 (August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

SUNDRY Do not use thi abandoned wel		Lease Serial No. UTU0282 If Indian, Allottee or Tribe Name					
SUBMIT IN TRII	PLICATE - Other instructions	on reverse side.		7. If Unit or CA/Agree CHAPITA WELI	ement, Name and/or No. LS UNI		
Type of Well Oil Well	er			8. Well Name and No. CHAPITA WELLS			
Name of Operator EOG RESOURCES, INC.		ENZIE THACKER ACKER@EOGRESOURCI		9. API Well No. 43-047-39899			
3a. Address 1060 E. HWY 40 VERNAL, UT 84078		Phone No. (include area code 453-781-9145)	10. Field and Pool, or NATURAL BUT			
4. Location of Well (Footage, Sec., T.	, R., M., or Survey Description)			11. County or Parish,	and State		
Sec 24 T9S R22E NWNW 663 40.02692 N Lat, 109.39556 W				UINTAH COUN	TY, UT		
12. СНЕСК АРРБ	ROPRIATE BOX(ES) TO IND	DICATE NATURE OF 1	NOTICE, RE	PORT, OR OTHE	R DATA		
TYPE OF SUBMISSION		ТҮРЕ О	F ACTION				
☐ Notice of Intent	☐ Acidize	□ Deepen	□ Production	on (Start/Resume)	■ Water Shut-Off		
_	☐ Alter Casing	☐ Fracture Treat	☐ Reclamate	tion	■ Well Integrity		
🔀 Subsequent Report	□ Casing Repair	■ New Construction	and Abandon Temporarily Abandon Well Spud				
☐ Final Abandonment Notice	☐ Change Plans	Plug and Abandon	nd Abandon				
	□ Convert to Injection	☐ Plug Back	■ Water Di	Temporarily Abandon Well Spud Water Disposal date of any proposed work and approximate duration thereof. ed and true vertical depths of all pertinent markers and zones.			
Attach the Bond under which the wor following completion of the involved	k will be performed or provide the Bo operations. If the operation results in andonment Notices shall be filed only nal inspection.) on 9/28/2008.	ond No. on file with BLM/BIA a multiple completion or reco	A. Required subsompletion in a ne	sequent reports shall be w interval, a Form 316	filed within 30 days 0-4 shall be filed once		
. ,	Electronic Submission #63457	JRCES, INC., sent to the	I Information S Vernal TIONS CLEF				
Name (17mea/1ypea) MICKENZ	IE MAORER	The OI LITE	TIONS OLLI	111			
Signature Will Middignic S	Thacket.	Date 09/29/2	008				
	THIS SPACE FOR FI	EDERAL OR STATE	OFFICE US	E			
Ananoued Du		Tielo			Date		
Approved By	d Approval of this nation does not arre	Title			Date		
Conditions of approval, if any, are attached certify that the applicant holds legal or equivalent would entitle the applicant to conduct the conduction of t	iitable title to those rights in the subject	of lease Office					
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent s				ke to any department or	agency of the United		

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTERECEIVED

Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

5. Lease Serial No. UTU0282

					0100202	
abandoned we	II. Use form 3160-3 (APD)	for such pr	oposals.		6. If Indian, Allottee o	r Tribe Name
SUBMIT IN TRI	7. If Unit or CA/Agree CHAPITA WELL	ement, Name and/or No. S UNI				
1. Type of Well ☐ Oil Well ☑ Gas Well ☐ Otl	her				8. Well Name and No. CHAPITA WELLS	UNIT 1207-24
2. Name of Operator EOG RESOURCES, INC.					9. API Well No. 43-047-39899	
3a. Address 600 17TH STREET SUITE 10 DENVER, CO 80202	000N	TE - Other instructions on reverse side. 7. If Unit or CA CHAPITA W 8. Well Name ar CHAPITA W 9. API Well No. A3-047-398 10. Field and Pe. NATURAL 10. Field and Pe. NATURAL 11. County or P. Waltur County or P. Waltur County or P. NATURAL 12. Or Survey Description) 11. County or P. UIINTAH C 12. ATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR O' TYPE OF ACTION 13. Acidize Deepen Production (Start/Resurn Alter Casing Fracture Treat Reclamation 14. Casing Plus and Abandon Temporarily Abandon 15. Convert to Injection Plug Back Water Disposal 16. Cearge to Market Disposal 18. Celearly state all pertinent details, including estimated starting date of any proposed work and a complete horizontally, give subsurface locations and measured and true vertical depths of all performed or provide the Bond No. on file with BLM/BLA. Required subsequent reports shows. If the operation results in a multiple completion or recompletion in a new interval, a For the Notices shall be filed only after all requirements, including reclamation, have been compection.) 18. Correct. 19. Title REGULATORY ASSISTANT 19. Date 11/20/2008 THIS SPACE FOR FEDERAL OR STATE OFFICE USE		10. Field and Pool, or NATURAL BUT	Exploratory TES	
4. Location of Well (Footage, Sec., T	., R., M., or Survey Description)			***************************************	11. County or Parish, a	and State
Sec 24 T9S R22E NWNW 66: 40.02692 N Lat, 109.39556 W					UINTAH COUN'	TY, UT
12. CHECK APPI	ROPRIATE BOX(ES) TO 1	INDICATE 1	NATURE OF	NOTICE, R	EPORT, OR OTHE	R DATA
TYPE OF SUBMISSION		· · · · · · · · · · · · · · · · · · ·	ТҮРЕ О	F ACTION		
☐ Notice of Intent	☐ Acidize	Deepe	en	☐ Product	ion (Start/Resume)	☐ Water Shut-Off
■ Subsequent Report	☐ Alter Casing	☐ Fractı	ire Treat	☐ Reclam	ation	☐ Well Integrity
_ , ,	☐ Casing Repair	_				Other Production Start-up
☐ Final Abandonment Notice	Change Plans	☐ Plug and Abandon ☐ Plug Back ☐			•	riodaenon start ap
					*	
determined that the site is ready for f The referenced well was turne report for drilling and completi	inal inspection.) ed to sales on 11/19/2008. For on operations performed or	Please see th	e attached op	_	•	and the operator has
14. I hereby certify that the foregoing is	Electronic Submission #64	4951 verified I SOURCES, IN	oy the BLM We C., sent to the	l Information Vernal	System	
Name (Printed/Typed) MARY A.	MAESTAS		Title REGUI	ATORY AS	SISTANT	· · · · · · · · · · · · · · · · · · ·
Signature Man Ejectronia	Submiss of Carlo		Date 11/20/2	2008		
	THIS SPACE FOR	R FEDERAL	OR STATE	OFFICE U	SE	
Approved By]	Title			Date
Conditions of approval, if any, are attache certify that the applicant holds legal or equivinch would entitle the applicant to conductive the applicant to conduct the applicant	uitable title to those rights in the st		Office			
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent	U.S.C. Section 1212, make it a cristatements or representations as to	ime for any personany matter with	on knowingly and in its jurisdiction	l willfully to m	ake to any department	alendro MelUnited

WELL CHRONOLOGY **REPORT**

Report Generated On: 11-20-2008

Well Name	CWU 1207-24	Well Type	DEVG	Division	DENVER
Field	CHAPITA DEEP	API#	43-047-39899	Well Class	1SA
County, State	UINTAH, UT	Spud Date	10-14-2008	Class Date	11-19-2008
Tax Credit	N	TVD / MD	9,470/ 9,470	Property #	058373
Water Depth	0	Last CSG	2.375	Shoe TVD / MD	0/0
KB / GL Elev	4,988/ 4,971				
Location	Section 24, T9S, R22E,	NWNW, 663 FNL & 62	4 FWL		

Event No Operator	1.0 EO	G RESOURC	ES, INC	Description WI %		CILL & COMPLET 033	ГЕ	NRI %		47.155	
AFE No		303902		AFE Total		1,751,500		DHC/	CWC	880,7	00/ 870,800
Rig Contr	TRU	Œ	Rig Name	TRUE #	9	Start Date	02-	-13-2008	Release	Date	10-23-2008
02-13-2008	R	eported By	C	YNTHIA HANSE	LMAN						
DailyCosts: Da	rilling	\$0		Comp	letion	\$0		Dail	y Total	\$0	
Cum Costs: D	rilling	\$0		Comp	letion	\$0		Well	l Total	\$0	
MD	0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation:			PBTD : 0	.0		Perf:			PKR De	epth : 0.	0

Activity at Report Time: LOCATION DATA

Start **Activity Description** End Hrs 06:00 06:00

24.0 LOCATION DATA

663' FNL & 624' FWL (NW/NW) **SECTION 24, T9S, R22E**

UINTAH COUNTY, UTAH

LAT 40.026917, LONG 109.395558 (NAD 83) LAT 40.026953, LONG 109.394878 (NAD 27)

TRUE #9

OBJECTIVE: 9470' MD, MESAVERDE

DW/GAS

CHAPITA WELLS DEEP PROSPECT

DD&A: CHAPITA DEEP NATURAL BUTTES FIELD

LEASE: UTU 0282

ELEVATION: 4970.9' NAT GL, 4970.9' PREP GL (DUE TO ROUNDING PREP GL WILL BE 4971') 4988' KB (17')

EOG WI 55.6856%, NRI 47.67131%

09-26-2008

Reported By

TERRY CSERE

DailyCosts: Drilling	\$75,000	Com	pletion \$0		Daily	Total	\$75,000	
Cum Costs: Drilling			pletion \$0		•	Total	\$75,000	
MD 0	TVD	0 Progress	0 Days	0	MW	0.0	Visc	0.0
Formation :	PBT	D : 0.0	Perf :			PKR De	pth: 0.0	
Activity at Report T	ime: BUILD LOCA	ΓΙΟΝ				•	•	
Start End	Hrs Activity	Description						
06:00 06:00	24.0 LOCATIO	ON STARTED.						
09-29-2008 F	Reported By	TERRY CSERE/JE	RRY BARNES					
DailyCosts: Drilling	\$ 0	Com	pletion \$0		Daily	Total	\$0	
Cum Costs: Drilling	\$75,000	Com	pletion \$0		Well	Total	\$75,000	
MD 0	TVD	0 Progress	0 Days	0	MW	0.0	Visc	0.0
Formation :	PBT	D : 0.0	Perf:			PKR De	oth: 0.0	
Activity at Report T	ime: BUILD LOCAT	ΓΙΟΝ						
Start End	Hrs Activity	Description						
06:00 05:00	23.0 ROCKED	OUT. DRILLING RO	OCK.					
05:00 06:00	CEMENT	ROUSTABOUT SERV TO SURFACE WITH IL LEE W/BLM OF TH	READY MIX. JERR	Y BARNES N	~	•		
09-30-2008 F	Reported By	TERRY CSERE	2 51 0D 07/20/00 W	0.50 1 141	 			
DailyCosts: Drilling		Com	pletion \$0		Daily	Total	\$0	
Cum Costs: Drilling	•		pletion \$0		•	Total	\$75,000	
MD 0	•	0 Progress	0 Days	0	MW	0.0	Visc	0.0
Formation :		D : 0.0	Perf :	v	147 44	PKR De		0.0
Activity at Report T			10111			1 101 201	5111 • 0.0	
Start End		Description						
06:00 06:00	24.0 DRILLIN	2						
· · · · · · · · · · · · · · · · · · ·	Reported By	TERRY CSERE						
DailyCosts: Drilling	. ,	Com	pletion \$0		Daily	Total	\$0	
Cum Costs: Drilling	,		pletion \$0		•	Total	\$75,000	
			C-1-1-1					
MD 0	TVD	0 Progress	0 Dave	0	MW	0.0	Vice	0.0
		0 Progress	0 Days	0	MW	0.0 PKR De	Visc	0.0
Formation :	PBT	D : 0.0	0 Days Perf:	0	MW	0.0 PKR Dej		0.0
Formation : Activity at Report T	PBT	D : 0.0	,,-	0	MW			0.0
Formation : Activity at Report T	PBT ime: BUILD LOCAT Hrs Activity	D: 0.0	Perf:	0	MW			0.0
Formation : Activity at Report T Start End 06:00 06:00	PBT Time: BUILD LOCAT Hrs Activity 24.0 SHOOT T	D : 0.0	Perf:	0	MW			0.0
Formation : Activity at Report T Start End 06:00 06:00 10-02-2008 F	PBT Time: BUILD LOCAT Hrs Activity 24.0 SHOOT T Reported By	D: 0.0 FION Description THURSDAY. WAITING TERRY CSERE	Perf:	0		PKR Dej	oth: 0.0	0.0
Formation: Activity at Report T Start End 06:00 06:00 10-02-2008 F DailyCosts: Drilling	PBT Time: BUILD LOCAT Hrs Activity 24.0 SHOOT T Reported By \$0	D: 0.0 TION Description THURSDAY, WAITING TERRY CSERE Com	Perf: G ON POWDER. pletion \$0	0	Daily	PKR Dej		0.0
Formation: Activity at Report T Start End 06:00 06:00 10-02-2008 F DailyCosts: Drilling	PBT Time: BUILD LOCAT Hrs Activity 24.0 SHOOT T Reported By 30 475,000	D: 0.0 FION Description THURSDAY. WAITING TERRY CSERE Com Com	Perf : G ON POWDER. pletion \$0 pletion \$0		Daily Well	PKR Dej	\$0 \$75,000	
Formation: Activity at Report T Start End 06:00 06:00 10-02-2008 F DailyCosts: Drilling Cum Costs: Drilling	PBT Time: BUILD LOCAT Hrs Activity 24.0 SHOOT T Reported By \$ \$0 \$75,000 TVD	D: 0.0 TION Description THURSDAY. WAITING TERRY CSERE Com Com 0 Progress	Perf: G ON POWDER. pletion \$0 pletion \$0 Days	0	Daily	PKR Dep	\$0 \$75,000 Visc	0.0
Formation: Activity at Report T Start End 06:00 06:00 10-02-2008 F DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation:	PBT Time: BUILD LOCAT Hrs Activity 24.0 SHOOT T Reported By 30 575,000 TVD PBT	D: 0.0 FION Description THURSDAY. WAITING TERRY CSERE Com Com 0 Progress D: 0.0	Perf : G ON POWDER. pletion \$0 pletion \$0		Daily Well	PKR Dej	\$0 \$75,000 Visc	
Formation: Activity at Report T Start End 06:00 06:00 10-02-2008 F DailyCosts: Drilling Cum Costs: Drilling	PBT Time: BUILD LOCAT Hrs Activity 24.0 SHOOT T Reported By 375,000 TVD PBT Time: BUILD LOCAT	D: 0.0 FION Description THURSDAY. WAITING TERRY CSERE Com Com 0 Progress D: 0.0	Perf: G ON POWDER. pletion \$0 pletion \$0 Days		Daily Well	PKR Dep	\$0 \$75,000 Visc	

No.ilv:Co.etc		ported By	1.2	ERRY CSERE							
JamyCosu	: Drilling	\$0		Com	pletion	\$0		Dail	y Total	\$0	
•	s: Drilling	\$75,00	0		pletion	\$0			l Total	\$75,000	
MD	0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
ormation	. :]	PBTD : 0	0.0		Perf:			PKR De _l	oth: 0.0	
Activity at	Report Ti	me: BUILD LO	CATION								
Start	End	Hrs Acti	vity Desc	cription							
06:00	06:00	24.0 LINI	E TODAY.								
0-06-200)8 Re	eported By	T	ERRY CSERE							
DailyCost :	: Drilling	\$0		Con	pletion	\$0		Dail	y Total	\$0	
Cum Cost	s: Drilling	\$75,00	0	Con	pletion	\$0		Wel	l Total	\$75,000	
MD	0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation	.:]	PBTD : 0	0.0		Perf:			PKR De _l	oth: 0.0	
Activity at	Report Ti	me: LOCATIO	N COMPI	LETE							
Start	End	Hrs Acti	vity Desc	cription							
06:00	06:00	24.0 LOC	ATION CO	OMPLETE.							
0-09-200)8 Re	eported By	D	ANNY FARNSV	VORTH						
DailyCosts	: Drilling	\$254,0	92	Com	pletion	\$0		Dail	y Total	\$254,092	
Cum Cost	s: Drilling	\$329,0	92	Com	pletion	\$0		Wel	l Total	\$329,092	
MD	2,427	TVD	2,427	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation	:]	PBTD:	0.0		Perf:			PKR De _l	oth: 0.0	
activity at	Report Ti	me: WORT									
Start	End	Hrs Acti	vity Desc	cription							
06:00	06:00	DRII WIT JOIN	LLED HOI H HALLII	S DRILLING RIG LE FROM 1600' BURTON GUIDI VERY COLLAR IG.	WITH NO E SHOE A	LOSSES. RA ND FLOAT CO	N 56 JTS (2 OLLAR, 8 (2402.09') OI CENTRALIZ	7 9–5/8", 36.0# ZERS SPACED	, J–55, ST&C C MIDDLE OF S	CASING SHOE

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 3600 PSIG. PUMPED 186 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 200 SX (146 BBLS) OF PREMIUM LEAD CEMENT W/0.2% VARASET, 2% CALSEAL, & 2% EX-1. MIXED LEAD CEMENT @ 10.5 PPG W/YIELD OF 4.01 CF/SX.

TAILED IN W/300 SX (63 BBLS) OF PREMIUM CEMENT W/2 % CACL2. MIXED TAIL CEMENT TO 15.6 W/YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/180 BBLS FRESH WATER. BUMP PLUG W/725 PSI @ 06:34 PM, 10/06/2008. CHECKED FLOAT, FLOAT HELD. BROKE CIRCULATION 158 BBLS INTO FRESH WATER FLUSH. LOST RETURNS 130 BBLS INTO DISPLACEMENT. NO CEMENT TO SURFACE.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100SX (21 BBLS) OF PREMIUM CEMENT W/2 % CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 20 HRS. RDMO HALLIBURTON CEMENTERS.

TOP JOB # 2: MIRU HALLIBURTON CEMENTERS. MIXED & PUMPED 100 SX (21 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD. RDMO HALLIBURTON CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

CRAIGS RIG 2 TOOK SURVEY WHILE DRILLING HOLE, 1360' — 1.5 DEGREES.

CONDUCTOR LEVEL RECORD: PS= 89.8 OPS= 89.9 VDS= 89.7 MS= 89.8. 9 5/8 CASING LEVEL RECORD: PS= 89.9 OPS= 89.9 VDS= 89.9 MS= 90.0.

DAN FARNSWORTH NOTIFIED BLM BY E–MAIL OF THE SURFACE CASING & CEMENT JOB ON 10/05/2008 @ $6:30~\mathrm{A.M}$

10-14-20	008 R	eported I	By D	AVID GREESOI	N							
DailyCos	ts: Drilling	\$2	22,704	Con	pletion	\$0		Daily	Total	\$22,704		
Cum Cos	um Costs: Drilling \$351,796		351,796	Completion \$		\$0		Well 1	Fotal	\$351,796		
MD	2,427	TVD	2,427	Progress	0	Days	0	MW	0.0	Visc	0.0	
Formation: PBTD: 0.0				0.0		Perf:			1W 0.0 Visc 0.0 PKR Depth: 0.0			
Activity 2	it Report Ti	me: NU E	ВОР									
Start	End	Hrs	Activity Desc	ription								
06:00	04:00	22.0		O RURT. DERRI AT 18:00 10/13/0	_							
04:00	06:00	2.0	NU BOP, CHO	KE MANIFOLD	AND AC	CUMULATOR	UNIT. FIN	NISH RIG UP.				

RIG ON DAYWORK AT 04:00 HRS, 10/14/08.

TRANSFERRING 281.68' OF 4.5" N-80, 11.6# CSG. AND 1800 GL. FUEL TO THE CWU 1207-24. NO ACCIDENTS OR INCIDENTS REPORTED. FULL CREWS. 1 EXTRA CREW FOR RIG UP. SAFETY MEETINGS: RURT/WINCH AND TRUCK SAFETY. FORMATION TOPS: MAHOGONY OIL SHALE 2,418', WASATCH 4,774'.

FUEL ON HAND 1600 GL., USED 200 GLS.

10-15-2	008 R	eported	By D	AVID GREESO							
DailyCos	DailyCosts: Drilling \$119,052		\$119,052	Completion		\$0		Daily Total \$119,052			
Cum Co	m Costs: Drilling \$470,848			Cor	Completion \$0			Well Total \$470,848			
MD	3,370	TVD	3,370	Progress	933	Days	1	MW	9.0	Visc	30.0
Formatio	on:	PBTD : 0.0							PKR De	pth: 0.0	
Activity	Activity at Report Time: DRILLING @ 3,370'										
Start	End	Hrs	Activity Des								

06:00	10:30	4.5 RIG UP B&C QUICK TEST, TESTER JOHN SIDWELL. TEST BOPS AS FOLLOWS: TEST UPPER & LOWER KELLY VALVE, SAFETY VALVE & INSIDE BOP TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST PIPE RAMS & INSIDE BOP VALVES TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST PIPE RAMS, HCR & OUTSIDE BOP VALVES TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST PIPE RAMS, CHOKE LINE, CHECK VALVE, UPRIGHT GAUGE VALVE, & INSIDE MANIFOLD VALVES TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST ANNULAR TO 250 PSI LOW FOR 5 MINUTES & 2500 PSI HIGH FOR 10 MINUTES. TEST BLIND RAMS, CHOKE LINE, & MANIFOLD VALVES TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST BLIND RAMS & SUPER CHOKE TO 500 PSI FOR 5 MINUTES. TEST SURFACE CASING TO 1500 PSI FOR 30 MINUTES. ALL TESTS HELD OK.
10:30	11:00	0.5 RU KIMZEY LD MACHINE TO PU BHA AND DP.
11:00	15:00	4.0 PU BHA & DP TO 2380' TAG CEMENT AND KELLY UP.
15:00	15:30	0.5 RD KIMZEY LD MACHINE TOOLS.
15:30	16:00	0.5 INSTALL ROT. HEAD RUBBER.
16:00	16:30	0.5 SERVICE RIG.
16:30	19:00	2.5 DRILL CEMENT AND FLOAT EQUIP FROM 2380' TO 2427' SHOE AND 10' OPEN HOLE TO 2437'. PULL INTO CASING FOR FIT TEST. 2–4K WOB, 130 STK. ON #1 PUMP, 455 GPM, 54 RPM TABLE, 73 MM. 9.0 MW, 30 VIS.
19:00	19:30	0.5 FIT TEST @ 2370'. TEST W/ 9.0 MW. TO 250 PSI FOR 5 MIN. 11.0 EMW.
19:30	20:00	0.5 SURVEY @ 2354', 2.82 DEGREES.
20:00	06:00	10.0 DRILL FROM 2437' TO 3370' (933') 93' ROP, 10-16K WOB, 54 RPM TABLE, 73 RPM MM. #1 PUMP ON HOLE @ 130 STK./MIN. 455 GPM. 1500 PSI. 9.1 MW. 30 VIS.

NO ACCIDENTS OR INCIDENTS REPORTED. FULL CREWS BOTH TOURS.

SET COM DRILLING FUNCTIONED BOP.

SAFETY MEETINGS: F.I.T. TESTING/PU DP AND BHA.

FORMATION TOPS: MAHOGONY OIL SHALE 2,418', WASATCH 4,774'.

FUEL RECEIVED 8000 GL., ON HAND 8400 GL., USED 1200 GLS,

UNMANNED GAS LOGGER UNIT ON LOCATION 1 DAY.

06:00	SPUD 7-7/8" H	HOLE @ 8:00 P	M, 10/14/08
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10-16-2008	Re	eported By	D	DWAYNE WINKLER/DAVID GREESON							
DailyCosts: Drilling \$30,216			216	Completion \$0 Completion \$0				Daily	Total	\$30,216	
Cum Costs: Drilling \$501,29		,296					Well				
MD	4,760	TVD	4,760	Progress	1,390	Days	2	MW	9.1	Visc	29.0
Formation: PBTI			PBTD : 0	0.0		Perf:			PKR De	pth: 0.0	

Activity at Report Time: DRILLING @ 4760'

Start	End	Hrs	Activity Description
06:00	08:00	2.0	DRILL FROM 3370' TO 3474' (104') 52' ROP, 10–18K WOB, 54 RPM TABLE, 73 RPM MM. #1 PUMP ON HOLE @ 130 STK./MIN., 455 GPM, 1500 PSI, 9.1 MW, 30 VIS.
08:00	08:30	0.5	SURVEY @ 3390'. 1.89 DEGREES.
08:30	10:30	2.0	DRILLED 3474' TO 3630', (156'), ROP 78, MW 9.1, VIS 30, GPM 450, NO LOSS/GAIN.
10:30	11:00	0.5	SAFETY MEETING
11:00	13:00	2.0	DRILLED 3630' TO 3787', (157'), ROP 78, MW 9.2, VIS 31, GPM 450, NO LOSS/GAIN.
13:00	13:30	0.5	SERVICE RIG, CHECK CROWN-O-MATIC, BOP DRILL.
13:30	02:00	12.5	DRILLED 3787' TO 4665', (878'), ROP 70, MW 9.4, VIS 30, GPM 450, NO LOSS/GAIN.
02:00	03:30	1.5	WORK TIGHT HOLE 4635' TO 4665', MW 9.4, VIS 30.
			STRIKING JARS TO WORK PIPE FREE,

03:30

06:00

2.5 DRILLED 4665' TO 4760', (95'), ROP 46, MW 9.5, VIS 31, GPM 450, NO LOSS/GAIN

NO ACCIDENTS / INCIDENTS, NO RIG REPAIRS, FULL CREWS, FUEL ON HAND 8800 GLS, USED 1200 GLS, SAFETY MEETING # 1: HANDS, SAFETY MEETING # 2: OPERATING JARS.

10-17-20	008 R	eported	Ву	DUANE C WINK	LER						
DailyCos	ts: Drilling	:	\$47,869	Cor	npletion	\$0		Daily	Total	\$47,869	
Cum Cos	sts: Drilling	:	\$549,307	Cor	npletion	\$0		Well	Total	\$549,307	
MD	5,500	TVD	5,500	Progress	741	Days	3	MW	9.4	Visc	32.0
Formatio	n:		PBTD:	0.0		Perf:			PKR De	pth: 0.0	
Activity a	at Report Ti	ime: DR	ILLING @ 550	0,							
Start	End	Hrs	Activity De	scription							

Activity Description 06:00 13:00 7.0 TRIP OUT OF HOLE FOR HOLE IN PIPE. 13:00 13:30 0.5 CHANGE OUT BIT, MUD MOTOR AND JARS. 13:30 16:30 3.0 TRIP IN HOLE, CHECK EVERY CONNECTION. 16:30 17:00 0.5 WASH/REAM 4700' TO 4759' MW 9.5, VIS 32 17:00 20:30 3.5 DRILLED 4759' TO 4961', (202'), ROP 57, MW 9.5, VIS 33, GPM 450, NO LOSS/GAIN. 20:30 21:00 0.5 SERVICE RIG, CHECK CROWN-O-MATIC, FUNCTION KELLY VALVE. 21:00 9.0 DRILLED 4961' TO 5500', (539'), ROP 89, MW 9.6, VIS 33. GPM 450. 06:00

> NO LOSS/GAIN, NO ACCIDENTS / INCIDENTS, NO RIG REPAIRS, FULL CREWS, FUEL ON HAND 7100 GLS, USED 900 GLS, SAFETY MEETING # 1: HANDS, SAFETY MEETING # 2: WORKING TONGS...

10-18-2008	Re	eported By	Dī	JANE C WINK	LER								
DailyCosts: Drilling \$32,584		34	Completion \$0				Daily Total \$32,584						
Cum Costs: Drilling \$579,01		016	Completion \$0				Well 7	Total	\$579,016				
MD	6,540	TVD	6,540	Progress	1,040	Days	4	MW	9.7	Visc	33.0		
Formation: PBT		PBTD : 0	.0		Perf:			PKR Dep	oth: 0.0				

Activity at Report Time: DRILLING @ 6540'

Start	End	Hrs	Activity Description
06:00	11:30	5.5	$DRILLED\ 5500'\ TO\ 5744', (244'), ROP\ 44, MW\ 9.7, VIS\ 33, GPM\ 450, NO\ LOSS/GAIN.$
11:30	12:00	0.5	SERVICE RIG, CHECK CROWN-O-MATIC, BOP DRILL.
12:00	06:00	18.0	DRILLED 5744' TO 6540', (796'), ROP 45, MW 9.9, VIS 33, GPM 450.

NO LOSS/GAIN, NO ACCIDENTS / INCIDENTS, NO RIG REPAIRS, FULL CREWS, FUEL ON HAND 5900 GLS, USED 1200 GLS, SAFETY MEETING # 1: PPE, SAFETY MEETING # 2: ROUITINE...

10-19-20	008 Re	ported By	D	UANE C WINK	LER								
DailyCos	DailyCosts: Drilling\$28,352Cum Costs: Drilling\$607,369		52	Con	npletion	\$0		Daily Total		\$28,352			
Cum Cos			369	Con	\$0		Well Total						
MD	7,196	TVD	7,196	Progress	656	Days	5	MW	10.0	Visc	33.0		
Formation: PBTD:			PBTD : 0	0.0		Perf:			PKR Dej	oth: 0.0	\$607,369 Visc 33.0		
Activity a	ıt Report Tiı	me: DRILLI	NG @ 7196'										
Start	End	Hrs Ac	tivity Desc	ription									
06:00	11:30	5.5 DR	ILLED 654	O'TO 6723', (18	3'), ROP 3	3, MW 10., VI	S 33, GPM	450, NO LOS	S/GAIN.				
11:30	12:00	0.5 SE	RVICE RIG.	CHECK CROV	VN-O-MA	ATIC, BOP DR	ILL.						

12:00 06:00

18.0 DRILLED 6723' TO 7196'. (473'), ROP 26, MW 10.2, VIS 34, GPM 450

NO LOSS/GAIN, NO ACCIDENT / INCIDENTS, FULL CREWS, NO RIG REPAIRS, FUEL ON HAND 4700 GLS, USED 1200 GLS, SAFETY MEETING # 1: TEAM WORK, SAFETY MEETING # 2: MAKING CONNECTIONS.

10-20-2008	Reported	l By	DUANE C WINI	KLER							
DailyCosts: Drilling \$26,464		\$26,464	Completion		\$4,725		Daily	Total	\$31,189		
Cum Costs: Drilling \$633,834		\$633,834	Completion \$4,725			Well '	Total	\$638,559			
MD 7,	947 TVD	7,949	Progress	653	Days	6	MW	10.3	Visc	33.0	
Formation: PBTD			: 0.0		Perf:			7 10.3 Visc 33.0 PKR Depth: 0.0			
Activity at Repo	ort Time: DI	RILLING @ 794	19'								

Start	End	Hrs	Activity Description
06:00	11:00	5.0	DRILLED 7196' TO 7353', (157'), ROP 31, MW 10.4, VIS 34, GPM 450, NO LOSS/GAIN.
11:00	11:30	0.5	SERVICE RIG, CHECK CROWN-O-MATIC, BOP DRILL
11:30	06:00	18.5	DRILLED 7353' TO 7949', (596'), ROP 32, MW 10.7, VIS 36, GPM 450.

NO LOSS/GAIN,

NO ACCIDENT / INCIDENTS, FULL CREWS, NO RIG REPAIRS,

FUEL ON HAND 3400 GLS, USED 1300 GLS,

SAFETY MEETING # 1: FOOT PLACEMENT, SAFETY MEETING # 2: RIG ORGANIZED.

10-21-2008	Re	eported By		DUANE C WINK	LER						
DailyCosts: I	Orilling	\$53,	725	Con	pletion	\$2,520		Daily	Total	\$56,245	
Cum Costs: Drillin		\$687	,559	Con	apletion	\$7,245		Well '	Total	\$694,804	
MD	8,323	TVD	8,323	Progress	374	Days	7	MW	10.7	Visc	34.0
Formation: PBT		PBTD:	0.0		Perf:			PKR Dep	oth: 0.0		

Activity at Report Time: TIH W/NEW BIT

Start	End	Hrs	Activity Description
06:00	08:00	2.0	DRILLED 7949' TO 8043', (94'), ROP 47, MW 10.8, VIS 35, GPM 450, NO LOSS/GAIN.
08:00	09:00	1.0	SERVICE RIG, CHECK CROWN-O-MATIC.
09:00	10:00	1.0	DRILLED 8043' TO 8075', (32'), ROP 32, MW 10.8, VIS 35, GPM 450, NO LOSS/GIAN.
10:00	10:30	0.5	SAFETY MEETING
10:30	18:00	7.5	DRILLED 8075' TO 8295', (220'), ROP 29, MW 10.9, VIS 35, GPM 450, NO LOSS/GAIN.
18:00	19:30	1.5	CIRCULATE, CONDITON MUD.
19:30	20:30	1.0	DRILLED 8295' TO 8323', (28'), ROP 28, MW 10.9, VIS 35, GPM 450 NO LOSS/GAIN.
20:30	21:00	0.5	SAFETY MEETING.
21:00	01:30	4.5	TRIP OUT OF HOLE FOR BIT.
01:30	06:00	4.5	TRIP IN HOLE WITH BIT.

NO ACCIDENT / INCIDENTS, FULL CREWS, NO RIG REPAIRS, SAFETY MEETING # 1: PINCH POINTS, SAFETY MEETING # 2: LOTO

10-22-2008	R	eported By	I	DUANE C WINKI	LER						
DailyCosts:	Drilling	\$49,522		Com	pletion	\$0		Daily	Total	\$49,522	
Cum Costs:	Drilling	\$737,081		Com	pletion	\$7,245		Well 7	Total .	\$744,326	
MD ·	9,170	TVD	9,170	Progress	847	Days	8	MW	11.1	Visc	36.0

Formation: **PBTD**: 0.0 Perf: PKR Depth: 0.0 Activity at Report Time: DRILLING @ 9170' End Start Hrs **Activity Description** 06:00 10:00 4.0 DRILLED 8323' TO 8447', (124'), ROP 35, MW 11.0, VIS 35, GPM 450, NO LOSS/GAIN. SAFETY MEETING 10:00 12:00 2.0 DRILLED 8447' TO 8572', (125'), ROP 62, MW 11.0, VIS 35, NO LOSS/GAIN. 12:00 12:30 0.5 SERVICE RIG, CHECK CROWN-O-MATIC, BOP DRILL. 12:30 18:00 5.5 DRILLED 8572' TO 8800', (228'), ROP 41, MW 11.3, VIS 36, GPM 450, NO LOSS/GAIN. 18:00 06:00 12.0 SAFETY MEETING WITH NEW DRILLIER AND CREW. DRILLED 8800' TO 9170', (370'), ROP 32, MW 11.3, VIS 36, GPM 450, NO LOSS/GAIN. NO ACCIDENT / INCIDENTS, FULL CREWS, NO RIG REPAIRS, FUEL ON HAND 5100 GLS, USED 1400 GLS, SAFETY MEETING # 1: HOUSE CLEANING, SAFETY MEETING # 2: PUMPS. DUANE C WINKLER 10-23-2008 Reported By DailyCosts: Drilling \$49,547 \$128,755 \$178,302 Completion **Daily Total** \$786,629 \$136,000 **Cum Costs: Drilling** Completion **Well Total** \$922,629 9,470 MD TVD 9,470 **Progress** 300 Days 9 MW11.3 Visc 36.0 Formation: **PBTD**: 0.0 Perf: PKR Depth: 0.0 Activity at Report Time: RUN PROD CSG Start End Hrs **Activity Description** 06:00 09:00 3.0 DRILLED 9170' TO 9295', (125'), ROP 41, MW 11.4, VIS 36, GPM 450, NO LOSS/GAIN. 09:00 09:30 0.5 SERVICE RIG, CHECK CROWN-O-MATIC, BOP DRILL. 09:30 10:00 0.5 DRILLED 9295' TO 9326', (31'), ROP 62, MW 11.4, VIS 36, GPM 450, NO LOSS/GAIN. 10:00 10:30 0.5 SAFETY MEETING 10:30 16:30 6.0 DRILLED 9326' TO 9470', (144'), ROP 24, MW 11.4, VIS 36, GPM 450, NO LOSS/GAIN. REACHED TD ON 10/22/08 @ 16:30 HRS. 16:30 17:00 0.5 CIRCULATE AND CONDITON MUD 17:00 18:00 1.0 SHORT TRIP, NO FLOW GOOD WELL BORE, TRIP BACK TO BTM. 18:00 1.0 CIRCULATE, RIG UP LAY DOWN EQUIPMENT, PUMP PILL, DROP SURVEY. 19:00 6.5 THIRD PARTY SAFETY MEETING, LAY DOWN DRILL PIPE AND BHA. 19:00 01:30 01:30 02:30 1.0 RIG UP CASING EQUIPMENT, THIRD PARTY SAFETY MEETING. 02:30 06:00 3.5 RUNNING CASING. NO ACCIDENT / INCIDENTS, FULL CREWS. NO RIG REPAIRS, FUEL ON HAND 3800 GLS, USED 1300 GLS, SAFETY MEETING # 1: HAZARDS SAFETY MEETING # 2: RUN CASING. DUANE C WINKLER 10-24-2008 Reported By

\$78,670

\$214,670

Daily Total

Well Total

\$133,524

\$1,056,154

Completion

Completion

DailyCosts: Drilling

Cum Costs: Drilling

\$54,854

\$841,484

Mode												
Start End	MD	9,470	TVD	9,470	Progress	0	Days	10	MW	0.0	Visc	0.0
Start End Hrs Activity Description	Formation	n:		PBTD : 0	.0		Perf:			PKR De	pth: 0.0	
06:00 09:30 3.5 RUNA TOTAL OF 224 JT'S 4.5 11.66, N-80 LTC CASING, PS @ 9470*, PC @ 9426*, 2 MARKER JT'S @ 6718* & 4283*, INSTALL CENTRALIZER ON MIDDLE OF SHOET. TOP OF SECOND JT. THAN EVERY 3RD. JT. 30	Activity a	it Report Ti	me: RDR	Ť								
4283***, INSTALL CENTRALIZER ON MIDDLE OF SHOE IT. TOP OF SECOND JT. THAN EVERY 3RD. JT. 30 CENTRALIZERS. THREAD LOCK SHOE, 1ST JT, FLOAT COLLAR & 2ND JT. 0930 10-30 11-30 1.0 MAKE UP FLUTED MANDRAL HANGER & LANDING JT. LAND SAME. FMC ON SITE TO SUPERVISE. 1030 11-30 1.0 NIG DOWN CASING EQUIPMENT, THIRD PARTY SAFETY MEETING. 12-90 0.5 RIG UP CEMENT EQUIPMENT, THIRD PARTY SAFETY MEETING. 12-90 14-30 2.5 RU SCHLUMBERGER, BOLD PRE-JOB SAFETY MTG. TEST LINES TO 5000 PSI, PUMP 20 BISLS CHEMICAL WASH AND 20 BISLS WATER SPACER. MIXED AND PUMPED LEAD CEMENT 415 SKS 35-55 POZ G + ADDITIVES (YIELD 1.28) AT 12.5 PPG WITH 10-98 GPS H20. MIXED AND PUMPED TAIL 153 SKS 56-50 POZ G + ADDITIVES (YIELD 1.29) AT 14.1 PPG WITH 3-98 GPS H20. DISPLACEMENT RATE 6.6 BPM. FINAL PUMP PRESSURE 2500 PSI AT 2.3 BPM. BUMPED FLUG TO 3500 PSI. BLED OFF PRESSURE, FLOATS HELD, LEAVE CEMENT HEAD ON FOR 1 HR. RIG DOWN CEMENTERS. 14-30 15-30 1.0 RIG DOWN SCHLUMBERGER EQUIPMENT. 15-30 16-30 1.0 LAND WELL HEAD. 16-30 18-00 1.5 CLEAN TANK, NIPPLE DOWN BOP. 18-00 06-00 1.5 CLEAN TANK, NIPPLE DOWN BOP. 18-00 1.5 CLEAN TANK, NIPPLE DOWN BOP.	Start	End	Hrs	Activity Desc	ription						,	
10:30	06:00	09:30		4283', INSTAL	L CENTRALIZ	ZER ON M	IDDLE OF SHO	DE JT. TOI	OF SECO	ND JT. THAN		
11:30 12:00 0.5 RIG UP CEMENT EQUIPMENT, THIRD PARTY SAFETY MEETING.	09:30	10:30	1.0	MAKE UP FLU	TED MANDR	AL HANG	ER & LANDIN	G JT. LAN	ID SAME. F	MC ON SITE	TO SUPERVISI	E.
12:00	10:30	11:30	1.0	RIG DOWN CA	ASING EQUIPM	IENT.						
WASH AND 20 BBLS WATER SPACER, MIXED AND PUMPED LEAD CEMENT 415 SKS 35:65 POZ G + ADDITIVES (YIELD 1.98) AT 12.5 PPG WITH 10.98 GPS 1420. MIXED AND PUMPED TAIL 1353 SKS 50:50 POZ G + ADDITIVES (YIELD 1.29) AT 14.1 PPG WITH 5.98 GPS 1420. DISPLACEDED TO FLOAT COLLAR WITH 146 BBL H20 WITH 2 GAL/1000 LO64 FRESH WATER, AVG MIX AND DISPLACEMENT RATE 6.6 BPM. FINAL PUMP PRESSURE 5200 PSI AT 23 BPM. BUMPED PLUG TO 3500 PSI, BLED OFF PRESSURE, FLOATS HELD. LEAVE CEMENT HEAD ON FOR 1 HR. RIG DOWN CEMENTERS. 14:30 15:30 1.0 RIG DOWN SCHLUMBERGER EQUIPMENT. 15:30 16:30 1.0 LAND WELL HEAD. 16:30 18:00 1.5 CLEAN TANK, NIPPLE DOWN BOP. 18:00 06:00 12.0 RDRT. WESTROC TRUCKING TO BEGIN RIG MOVE AT 06:00 10/24/08. MOVE RIG FROM THE CWU 1207–24 TO THE CWU 1020–15, 1.3 MILES. TRANSFERRING 160.54' OF 4.5" N~80, 11.6# CSG. AND 3400 GLs. FUEL TO THE CWU1020–15 NO ACCIDENTS OR INCIDENTS REPORTED SAFETY MEETINGS: CEMENTING/RDRT. UNMANNED LOGGER UNIT RELEASED AFTER 9 DAYS. 06:00 RIG RELEASE @ 18:00 HRS, 10/23/08. CASING POINT COST S818,501 10-27-2008 Reported By SEARLE DailyCosts: Drilling S41,484 Completion S44,682 Daily Total S44,682 Cum Costs: Drilling S841,484 Completion S259,352 Well Total S1,100,836 MD 9,470 TVD 9,470 Progress 0 Days 11 MW 0.0 Visc 0.0 Formation: PBTD: 9427.0 Perf: PKR Depth: 0.0 Activity at Report Time: PREP FOR FRACS Start End Hrs Activity Description 06:00 06:00 24-0 MIKU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 500'. EST CEMENT TOP @ 850'. RD SCHLUMBERGER.	11:30	12:00	0.5	RIG UP CEME	NT EQUIPMEN	IT, THIRD	PARTY SAFET	Y MEET	NG.			
15:30	12:00	14:30		WASH AND 20 ADDITIVES (Y + ADDITIVES (H2O WITH 2 G PRESSURE 250	BBLS WATER (IELD 1.98) AT (YIELD 1.29) A (AL/1000 LO64 00 PSI AT 2.3 B	SPACER. 12.5 PPG T 14.1 PPG FRESH W PM. BUM	MIXED AND P WITH 10.98 GI G WITH 5.98 GI ATER. AVG MI PED PLUG TO	UMPED I PS H2O. M PS H2O. D X AND D 3500 PSI.	LEAD CEM IIXED AND ISPLACED ISPLACEM	ENT 415 SKS PUMPED TA TO FLOAT C ENT RATE 6.0	35:65 POZ G + JL 1535 SKS 50 OLLAR WITH : 6 BPM. FINAL I):50 POZ G 146 BBL PUMP
15:30	14:30	15:30	1.0	RIG DOWN SC	HLUMBERGE	R EOLIIPN	/ENT					
16:30						ic EQUIT	, i.e.					
THE CWU 1020–15, 1.3 MILES. TRANSFERRING 160.54° OF 4.5" N-80, 11.6# CSG. AND 3400 GLs. FUEL TO THE CWU1020–15 NO ACCIDENTS OR INCIDENTS REPORTED SAFETY MEETINGS: CEMENTING/RDRT. UNMANNED LOGGER UNIT RELEASED AFTER 9 DAYS. RIG RELEASE @ 18:00 HRS, 10/23/08. CASING POINT COST \$818,501 10-27-2008 Reported By SEARLE DailyCosts: Drilling \$0 Completion \$44,682 Daily Total \$44,682 Cum Costs: Drilling \$841,484 Completion \$259,352 Well Total \$1,100,836 MD 9,470 TVD 9,470 Progress 0 Days 11 MW 0.0 Visc 0.0 Formation: PBTD: 9427.0 Perf: PKR Depth: 0.0 Activity at Report Time: PREP FOR FRACS Start End Hrs Activity Description 06:00 06:00 24.0 MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 500°. EST CEMENT TOP @ 850°. RD SCHLUMBERGER.		18:00				N BOP.						
NO ACCIDENTS OR INCIDENTS REPORTED SAFETY MEETINGS: CEMENTING/RDRT. UNMANNED LOGGER UNIT RELEASED AFTER 9 DAYS.	18:00	06:00	12.0				IN RIG MOVE	AT 06:00	10/24/08. M	OVE RIG FRC	M THE CWU 1	207–24 TO
Table Tabl	06.00			NO ACCIDENT SAFETY MEET UNMANNED I	TS OR INCIDEN TINGS: CEMEN LOGGER UNIT	NTS REPO NTING/RE RELEASI	ORTED ORT.		Ls. FUEL T	O THE CWU1	020-15	
10-27-2008 Reported By SEARLE	00.00											
Daily Costs: Drilling \$0 Completion \$44,682 Daily Total \$44,682 Cum Costs: Drilling \$841,484 Completion \$259,352 Well Total \$1,100,836 MD 9,470 Progress 0 Days 11 MW 0.0 Visc 0.0 Formation: PBTD: 9427.0 Perf: PKR Depth: 0.0 Activity at Report Time: PREF FOR FRACS Start End Hrs Activity Description 06:00 06:00 24.0 MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 500'. EST CEMENT TOP @ 850'. RD SCHLUMBERGER. 850'. 11-08-2008 Reported By MCCURDY MCCURDY Activity Description Activity Description <th>10-27-20</th> <th>08 Re</th> <th>ported E</th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th>	10-27-20	08 Re	ported E									
Cum Costs: Drilling \$841,484 Completion \$259,352 Well Total \$1,100,836 MD 9,470 TVD 9,470 Progress 0 Days 11 MW 0.0 Visc 0.0 Formation: PBTD: 9427.0 Perf: PKR Depth: 0.0 Activity at Report Time: PREF FOR FRACS Start End Hrs Activity Description 06:00 06:00 24.0 MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 500'. EST CEMENT TOP @ 850'. RD SCHLUMBERGER. 850'. 11-08-2008 Reported By MCCURDY	DailyCost		_	*	Com	mletion	\$44,682		Dail	v Total	\$44.682	
MD 9,470 TVD 9,470 Progress 0 Days 11 MW 0.0 Visc 0.0 Formation: PBTD: 9427.0 Perf: PKR Depth: 0.0 Activity at Report Time: PREP FOR FRACS Start End Hrs Activity Description 06:00 06:00 24.0 MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 500°. EST CEMENT TOP @ 850°. RD SCHLUMBERGER. 11-08-2008 Reported By MCCURDY	•	•				•	•			•	,	
Formation: PBTD: 9427.0 Perf: PKR Depth: 0.0 Activity at Report Time: PREF FOR FRACS Start End Hrs Activity Description 06:00 06:00 24.0 MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 500'. EST CEMENT TOP @ 850'. RD SCHLUMBERGER. 11-08-2008 Reported By MCCURDY		Ü		•		-	•	11			, ,	0.0
Activity at Report Time: PREP FOR FRACS Start End Hrs Activity Description 06:00 06:00 24.0 MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 500'. EST CEMENT TOP @ 850'. RD SCHLUMBERGER. 11-08-2008 Reported By MCCURDY		•	112	,	Ü		-		172 77			
06:00 06:00 24.0 MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 500'. EST CEMENT TOP @ 850'. RD SCHLUMBERGER. 11-08-2008 Reported By MCCURDY			me: PREF		727.0		1011.			T KK Dej	Jul. 0.0	
06:00 06:00 24.0 MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 500'. EST CEMENT TOP @ 850'. RD SCHLUMBERGER. 11-08-2008 Reported By MCCURDY	Start	End	Hrs	Activity Descr	ription							
				MIRU SCHLUN	MBERGER. LO	G WITH R	ST/CBL/CCL/\	DL/GR F	ROM PBTD	TO 500'. EST	CEMENT TOP	'@ 850'.
DailyCosts: Drilling\$0Completion\$1,723Daily Total\$1,723	11-08-20	08 Re	ported F	ву мо	CCURDY		· · · · · · · · · · · · · · · · · · ·					
	DailyCost	ts: Drilling	\$()	Con	pletion	\$1,723		Dail	y Total	\$1,723	
Cum Costs: Drilling \$841,484 Completion \$261,075 Well Total \$1,102,559	Cum Cost	ts: Drilling	\$8	341,484	Con	pletion	\$261,075		Well	l Total	\$1,102,559	
MD 9,470 TVD 9,470 Progress 0 Days 12 MW 0.0 Visc 0.0	MD	9,470	TVD	9,470	Progress	0	Days	12	MW	0.0	Visc	0.0
Formation: PBTD: 9427.0 Perf: PKR Depth: 0.0	Formation	n:		PBTD : 94	•		•			PKR Dep	oth: 0.0	

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Desc	ription							
06:00	06:00	24.0	NU 10M FRAC	TREE. PRESSU	JRE TEST	ED FRAC TRE	E & CAS	ING TO 6500 I	PSIG. WO C	OMPLETION.	
11-12-20	008 R	eported E	3y W	HITEHEAD							
DailyCos	ts: Drilling	\$0	0	Com	pletion	\$1,700		Daily	Total	\$1,700	
Cum Cos	ts: Drilling	\$8	841,484	Com	pletion	\$262,775		Well 7	Total .	\$1,104,259	
MD	9,470	TVD	9,470	Progress	0	Days	13	MW	0.0	Visc	0.0
Formatio	n: MESAVE	RDE	PBTD : 9	427.0		Perf: 9022'-	-9257'		PKR De	pth: 0.0	
Activity a	it Report Ti	me: FRAG	С								
Start	End	Hrs	Activity Desc	ription							
06:00	06:00			WIRELINE. PEI 7'–58', 9177'–7							
11-13-20	008 R	eported E	By W	HITEHEAD							

11-13-2008	Re	ported By	1	WHITEHEAD							
DailyCosts: D	rilling	\$0		Com	pletion	\$297,490		Daily	Total	\$297,490	
Cum Costs: I	rilling	\$841	,484	Com	pletion	\$560,265		Well	Fotal	\$1,401,749	
MD	9,470	TVD	9,470	Progress	0	Days	14	MW	0.0	Visc	0.0
Formation : N	MESAVEI	RDE	PBTD:	9427.0		Perf: 7134'-	9257'		PKR Der	oth: 0.0	

Activity at Report Time: PREP TO MIRUSU

Start End Hrs Activity Description

06:00 06:00

24.0 RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 4530 GAL 16# LINEAR PAD, 7480 GAL 16# LINEAR W/1 & 1.5 PPG 20/40 SAND, 44953 GAL DELTA 200 W/164800# 20/40 SAND @ 2-5 PPG. MTP 6340 PSIG. MTR 54.2 BPM. ATP 4497 PSIG. ATR 48.7 BPM. ISIP 2740 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 8970'. PERFORATE L/MPR FROM 8728'-29', 8737'-38', 8747'-48', 8754'-55', 8764'-65', 8781'-82', 8802'-03', 8819'-20', 8856'-57', 8921'-22', 8943'-44', 8952'-53' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 7151 GAL 16# LINEAR W/1 & 1.5 PPG 20/40 SAND, 13106 GAL DELTA 200 W/40700# 20/40 SAND @ 2-4 PPG. MTP 6154 PSIG. MTR 51.7 BPM. ATP 5572 PSIG. ATR 45.7 BPM. ISIP 2920 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 8680'. PERFORATE MPR FROM 8424'-25', 8432'-33', 8441'-42', 8456'-57', 8470'-71', 8502'-03', 8535'-36', 8570'-71', 8593'-94', 8604'-05', 8654'-55', 8660'-61' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 13036 GAL 16# LINEAR W/1 & 1.5 PPG 20/40 SAND, 12501 GAL DELTA 200 W/36600# 20/40 SAND @ 2-3 PPG. MTP 6697 PSIG. MTR 42.8 BPM. ATP 5182 PSIG. ATR 24.7 BPM. ISIP 3160 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 8400'. PERFORATE MPR FROM 8174'-75', 8188'-89', 8200'-01', 8208'-09', 8226'-27', 8235'-36', 8263'-64', 8299'-00', 8334'-35', 8341'-42', 8354'-55', 8374'-75' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 11809 GAL 16# LINEAR W/1 & 1.5 PPG 20/40 SAND, 50286 GAL DELTA 200 W/187500# 20/40 SAND @ 2-5 PPG. MTP 6705 PSIG. MTR 55.2 BPM. ATP 5060 PSIG. ATR 44.4 BPM. ISIP 2410 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 8155'. PERFORATE M/UPR FROM 7920'-21', 7932'-33', 7959'-60', 7982'-83', 8005'-06', 8033'-34', 8042'-43', 8077'-78', 8092'-93', 8098'-99', 8126'-27', 8138'-39' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 9707 GAL 16# LINEAR 1 & 1.5 PPG 20/40 SAND, 50220 GAL DELTA 200 W/186900# 20/40 SAND @ 2-5 PPG. MTP 5777 PSIG. MTR 53.8 BPM. ATP 4531 PSIG. ATR 48 BPM. ISIP 2600 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 7880'. PERFORATE UPR FROM 7556'-57', 7563'-64', 7574'-75', 7642'-43', 7675'-76', 7682'-83', 7698'-99', 7703'-04', 7803'-04', 7827'-28', 7828'-29', 7858'-59' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6779 GAL 16# LINEAR W/1 & 1.5 PPG 20/40 SAND, 27392 GAL DELTA 200 W/102400# 20/40 SAND @ 2-5 PPG. MTP 5472 PSIG. MTR 55.5 BPM. ATP 4916 PSIG. ATR 47.9 BPM. ISIP 2565 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 7530'. PERFORATE UPR FROM 7134'-35', 7143'-44', 7153'-54', 7161'-62', 7206'-07', 7350'-51', 7382'-83', 7383'-84', 7448'-49', 7464'-65', 7502'-03', 7512'-13' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 7173 GAL 16# LINEAR W/1 & 1.5 PPG 20/40 SAND, 36849 GAL DELTA 200 W/140000# 20/40 SAND @ 2-5 PPG. MTP 5334 PSIG. MTR 54.8 BPM. ATP 4409 PSIG. ATR 49.5 BPM. ISIP 2750 PSIG. RD HALLIBURTON.

		RU	VL. SET 61	K CBP AT 70	78'. RDWL. S	SDFN.					
11-18-20	008 R	eported By	Н	OOLEY							
DailyCos	ts: Drilling	\$0		C	Completion	\$5,570		Daily '	Total	\$5,570	
Cum Cos	sts: Drilling	\$841,4	184	C	Completion	\$565,835		Well T	otal	\$1,407,319	
MD	9,470	TVD	9,470	Progress	0	Days	15	MW	0.0	Visc	0.0
Formatio	n: MESAVE	RDE	PBTD : 9	427.0		Perf: 7134'-	-9257'		PKR De	pth: 0.0	
Activity 2	at Report Ti	me: CLEAN (OUT AFTE	R FRAC							
Start	End	Hrs Act	ivity Desc	ription							
06:00	15:00	9.0 SIC SDI		MIRU LEED	SERVICE UN	IIT. ND FRAC T	REE. NU	BOPE. RIH W	/BIT AND	SUB TO CBP @	7078'.
11-19-20	008 R	eported By	Н	OOLEY							
DailyCos	ts: Drilling	\$0		C	Completion	\$24,529		Daily 7	Fotal	\$24,529	
Cum Cos	ts: Drilling	\$841,4	184	C	Completion	\$590,364		Well T	otal	\$1,431,848	
MD	9,470	TVD	9,470	Progress	0	Days	16	MW	0.0	Visc	0.0
Formatio	n: MESAVE	RDE	PBTD : 9	427.0		Perf: 7134'-	-9257'		PKR De	pth: 0.0	
Activity 2	at Report Ti	me: FLOW TI	EST								
Start	End	Hrs Act	ivity Desc	ription							
06:00	06:00									0', 8680' AND 89 0FF BIT & SUB.	
		FIN	AL COMPI	LETION DAT	ΓE: 11/18/08						
			WED 16 H VTR,	IRS. 24/64" C	CHOKÉ. FTP	1400 PSIG. CP	1100 PSIC	G. 72 BFPH. R	ECOVERE:	D 1494 BLW. 664	1 7

TUBING DETAIL LENGTH

PUMP OFF SUB 0.91'

1 JT 2-3/8 4.7# L-80 TBG 33.10'

XN NIPPLE 1.10'

238 JTS 2-3/8 4.7# L-80 TBG 7863.03'

BELOW KB 17.00'

LANDED @ 7914.14' KB

11-20-2008 Reported By HOOLEY/DUANE COOK

DailyCosts:	Drilling	\$0		Com	pletion	\$2,720		Daily	Total	\$2,720	
Cum Costs:	Drilling	\$84	11,484	Com	pletion	\$593,084		Well 7	Total	\$1,434,568	
MD	9,470	TVD	9,470	Progress	0	Days	17	MW	0.0	Visc	0.0
Formation: MESAVERDE PBTD:				427.0		Perf: 7134	·'–9257'		PKR Dep	oth: 0.0	

Activity at Report Time: INITIAL PRODUCTION/FLOW TEST TO SALES

Start	End	Hrs	Activity Description
06:00	06:00	24 (INITIAL PRODUCTION OPENING PRESSURE TO 1450 & CO 1100 PSLITIPINED WELL TO OUESTAD SALES AT

11:20 AM, 11/19/08. FLOWED 1000 MCFD RATE ON 24/64" POS CHOKE. QUESTAR GAS METER #7948. STATIC 250.

INSTALLED BRECO TEST UNIT. FLOWED TO SALES 24 HRS. 24/64" CHOKE. FTP 1300 PSIG. CP 1450 PSIG. 54 BFPH. RECOVERED 1324 BLW. 5323 BLWTR. 1160 MCFD RATE.



UNITED STATES

FORM APPROVED

(August 2007))			TMENT U OF LA											004-0137 y 31, 2010	
	WELL	COMPL	ETION (OR REC	OMPL	ETIO	N REPO	ORT	AND LO	G			ease Serial N ITU0282	Vo.	····	_
1a. Type o	_	Oil Well	_	_	D ry	Ot		. Di	D1 6	n Diee	D	6. If	Indian, Allo	ttee o	r Tribe Name	
b. Type o	of Completion	<u> </u>	lew Well er	☐ Work	Over	☐ Dec	epen 🔲	j Plug	Back [Diff.	Kesvr.	7. U	nit or CA Ag	greem/	ent Name and No.	_
2. Name of EOG R	f Operator RESOURCE	S, INC.	E	-Mail: ma	Conta	act: MA stas@e	RY A. MA	EST.	AS om				ease Name a		ell No. S UNIT 1207-24	_
3. Address	600 17TH DENVER		SUITE 10					ne No	o. (include a	rea code	:)	9. A	PI Well No.		43-047-39899	
4. Location	n of Well (Re	port locati	ion clearly a	nd in accor	dance wi	th Feder	ral requirer	nents)*			10. I	rield and Po	ol, or l	Exploratory ES/MESAVERDE	_
At surfa	ace NWN\	N 663FNI	L 624FWL 4	10.02692	N Lat, 1	09.395	56 W Lon					11. 5	Sec., T., R., I	M., or	Block and Survey	-
At top p	orod interval	reported b	elow N W	NW 663FI	NL 624F	WL 40	.02692 N	Lat, 1	109.39556 V	W Lon			r Area Sec County or Pa		9S R22E Mer SLE 13. State	3
At total		/NW 663F	FNL 624FV	/L 40.0269	92 N Lat	, 109.3	9556 W L	on				12. U	INTAH	111311	UT	
14. Date Sp 09/28/2	pudded 2008			ate T.D. Re 1/22/2008	eached			D &	Completed A 🛛 Re 9/2008	ady to	Prod.	17. E		OF, KI 1 GL	B, RT, GL)*	
18. Total D	Depth:	MD TVD	9470	1	9. Plug I	Back T.I		ID VD	9427		20. De	pth Bri	dge Plug Set		MD TVD	_
21. Type E RST/C	Electric & Oth BL/CCL/VD	ner Mechar L/GR	nical Logs R	un (Submi	t copy of	each)			2:	Was	well core DST run' ctional Su	?	ΣTiNo Γ	₹ Yes	s (Submit analysis) s (Submit analysis) s (Submit analysis)	
23. Casing a	nd Liner Rec	ord (Repo	rt all strings	set in well	()						-T					_
Hole Size	Size/G	rade	Wt. (#/ft.)	Top (MD)		ttom ID)	Stage Cem Depth		No. of S Type of C		Slurry (BI		Cement T	op*	Amount Pulled	_
12.250		625 J- <u>55</u>	36.0		0	2419				70				0		_
7.875	4.5	00 N-80	11.6		0	9470				195	0			850		
	 				-		 -		<u> </u>		+					_
	<u> </u>	-				- ;					+	_				_
	 				\dashv						1					_
24. Tubing	Record															_
Size	Depth Set (N	(ID) Pa	acker Depth	(MD)	Size	Depth	Set (MD)	P	acker Depth	(MD)	Size	De	pth Set (MD)	Packer Depth (MD)	_
2.375		7914				146		Ţ		- A						
25. Produci						26. I	Perforation			34						_
	ormation		Тор		Bottom	_	Perfor	rated]	Interval	2057	Size	- N	lo. Holes		Perf. Status	_
A) B)	MESAVE	RDE		7134	925	+			9022 TO 9			-	3			_
C)				- -		+		-	8424 TO 8			_	3			_
D)						-			8174 TO	_			3			-
	racture, Treat	ment, Cen	nent Squeeze	, Etc.					011110	00101						_
]	Depth Interva	al						Ar	nount and T	ype of N	/laterial					
			57,128													_
			53 20,422													_
			61 25,702													_
00 D 1			75 62,260	GALS GELI	LED WAT	ER & 18	87,500# 20/	/40 S/	AND							_
28. Producti	ion - Interval Test	A Hours	Test	Oil	Gas	Tw.	ater	Oil Gra		Gas		Producti	on Method			
Produced 11/19/2008	Date 11/29/2008	Tested 24	Production	BBL 35.0	MCF 708.	BB		Corr. A		Gravit	y	Troducti		S FRO	DM WELL	
Choke	Tbg. Press.	Csg.	24 Hr.	Oil	Gas		ater	Gas:Oi	 I	Well S	tatus				***************************************	_
Size 18/64"		Press. 1500.0	Rate	BBL 35	мсғ 708	BB		Ratio		1	PGW					
	tion - Interva	<u> </u>					1									_
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Wa BB		Oil Gra Corr. A		Gas Gravit	y	Production	on Method	·		

Choke Size

Tbg. Press. Flwg.

(See Instructions and spaces for additional data on reverse side)
ELECTRONIC SUBMISSION #65698 VERIFIED BY THE BLM WELL INFORMATION SYSTEM
** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

Gas:Oil Ratio

Well Status

Water BBL

28b. Pro	duction - Interv	ral C						<u></u>				
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravi	ty	Production Method	i	
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well	Status		 .	
28c. Pro	duction - Interv	al D	4	L	<u> </u>	<u></u>	<u>.L</u>				 	
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravi	ty	Production Method	1	
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well	Status			
29. Disposol	osition of Gas(Sold, used f	or fuel, vent	ed, etc.)		<u> </u>						
30. Sumi	mary of Porous v all important including dept ecoveries.	zones of po	rosity and co	ontents there	eof: Cored i	ntervals and a	all drill-stem shut-in pressur	es	31. For	mation (Log) N	Iarkers	
	Formation		Тор	Bottom		Description	ns, Contents, et	tc.		Name		Top Meas. Depth
MESAVE		Grahada ah	7134	9257					BIF MA UT WA CH BU	EEEN RIVER RDS NEST HOGANY ELAND BUTT SATCH APITA WELLS CK CANYON ICE RIVER		1761 1905 2408 4647 4772 5335 6039 7131
Pleas	tional remarks (se see the atta mation.	(include plu ached she	igging proce et for detail	dure): led perforat	tion and ac	dditional forn	nation marker	·		원 전 전		EIVED 8 2003
										Ī	DIV. OF OIL,	GAS & MINING
1. El 5. Su	e enclosed attace ectrical/Mechan andry Notice for the certify that	nical Logs (r plugging a	and cement	verification hed information	tion is comp	98 Verified I	ysis	7 ned from all Vell Informa		records (see att	Direction ached instruction	
Name	(please print)	MARY A.	MAESTAS				·	REGULATO	DRY ASS	SISTANT		
Signa	ture	Aearon	Subtralssio	on) M	info		Date <u>^</u>	1 <u>2/17/2008</u>				
Title 18 I	J.S.C. Section	1001 and Ti	itle 43 U.S.C	C. Section 12	212. make i	t a crime for a	any person kno	wingly and	willfully	to make to any	department or a	gency

of the United States any false, fictitious or fradulent statements or representations as to any matter within its jurisdiction.

Chapita Wells Unit 1207-24 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

7920-8139	3/spf
7556-7859	3/spf
7134-7513	3/spf

27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

7920-8139	60,092 GALS GELLED WATER & 186,900# 20/40 SAND
7556-7859	34,336 GALS GELLED WATER & 102,400# 20/40 SAND
7134-7513	44,187 GALS GELLED WATER & 140,000# 20/40 SAND

Perforated the Lower Price River from 9022-23', 9036-37', 9079-80', 9085-86', 9128-29', 9152-53', 9157-58', 9177-78', 9184-85', 9211-12', 9230-31', 9256-57' w/ 3 spf.

Perforated the Lower/Middle Price River from 8728-29', 8737-38', 8747-48', 8754-55', 8764-65', 8781-82', 8802-03', 8819-20', 8856-57', 8921-22', 8943-44', 8952-53' w/ 3 spf.

Perforated the Middle Price River from 8424-25', 8432-33', 8441-42', 8456-57', 8470-71', 8502-03', 8535-36', 8570-71', 8593-94', 8604-05', 8654-55', 8660-61' w/ 3 spf.

Perforated the Middle Price River from 8174-75', 8188-89', 8200-01', 8208-09', 8226-27', 8235-36', 8263-64', 8299-8300', 8334-35', 8341-42', 8354-55', 8374-75' w/ 3 spf.

Perforated the Middle/Upper Price River from 7920-21', 7932-33', 7959-60', 7982-83', 8005-06', 8033-34', 8042-43', 8077-78', 8092-93', 8098-99', 8126-27', 8138-39' w/ 3 spf.

Perforated the Upper Price River from 7556-57', 7563-64', 7574-75', 7642-43', 7675-76', 7682-83', 7698-99', 7703-04', 7803-04', 7827-28', 7828-29', 7858-59' w/ 3 spf.

Perforated the Upper Price River from 7134-35', 7143-44', 7153-54', 7161-62', 7206-07', 7350-51', 7382-83', 7383-84', 7448-49', 7464-65', 7502-03', 7512-13' w/ 3 spf.

32. FORMATION (LOG) MARKERS

Middle Price River	7991
Lower Price River	8770
Sego	9283

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL GAS AND MINING

DEPARTMENT OF N	ATURAL RESOURCES
DIVISION OF OIL,	GAS AND MINING

Well name and	d number: CWU	1207-24				_		
API number: _	1304739899							
Well Location:	QQ NWNWSecti	on <u>24</u>	_ Township <u>9S</u> Ra	nge <u>22E</u>	_ County	UINTAH		
Well operator:	EOG							
Address:	1060 E HWY 40							
	city VERNAL		state UT zip 840	78	Phon	e: <u>(435)</u> 781-911	<u> </u>	
Drilling contrac	tor: CRAIGS RC	USTAB	OUT SERVICE					
Address:	PO BOX 41		· · · · · · · · · · · · · · · · · · ·					
	city JENSEN		state UT zip 8403	35	Phon	e: (435) 781-136	6	
Water encount	ered (attach addi	tional pa	ges as needed):					
[DEPTI	1	VOLU	ME		QUALITY		
	FROM	TO	(FLOW RATE	OR HEAD)		(FRESH OR	SALTY)	
-			NO WA	TER		FLUID DRILLE	ED HOLE	
-		<u></u>		<u> </u>		·		
	·					<u> </u>		
Ī								
							1	
Formation tops			2			3		_
(Top to Bottom)	4 _		5					
	7 _							
	10 _		11 _	: -		12		_
f an analysis h	as been made of	the wate	er encountered, please	attach a d	copy of t	he report to this fo	RECEI	VE
_	-		plete to the best of my kno	wledge.		<u></u>	DEC 18	
	Mary A. Maest			TITLE	Pegula	tory Assistant		

(5/2000)

STATE OF UTAH		FORM 9				
DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING			5.LEASE DESIGNATION AND SERIAL NUMBER: UTU0282			
SUNDRY NOTICES AND REPORTS ON WELLS			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:			
	sals to drill new wells, significantly deepen e igged wells, or to drill horizontal laterals. Us		7.UNIT or CA AGREEMENT NAME: CHAPITA WELLS			
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: CWU 1207-24			
2. NAME OF OPERATOR: EOG Resources, Inc.			9. API NUMBER: 43047398990000			
3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Verna	al, UT, 84078 435 781-911	PHONE NUMBER: 1 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES			
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0663 FNL 0624 FWL			COUNTY: UINTAH			
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: NWNW Section: 24	(P, RANGE, MERIDIAN: 4 Township: 09.0S Range: 22.0E Meridian: 9	S	STATE: UTAH			
11. CHE	CK APPROPRIATE BOXES TO INDICATE	NATURE OF NOTICE, REPORT,	OR OTHER DATA			
TYPE OF SUBMISSION		TYPE OF ACTION				
	☐ ACIDIZE	ALTER CASING	☐ CASING REPAIR			
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME			
/	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE			
SUBSEQUENT REPORT Date of Work Completion: 10/30/2009	L DEEPEN	FRACTURE TREAT	☐ NEW CONSTRUCTION			
10/30/2009	☐ OPERATOR CHANGE	PLUG AND ABANDON	☐ PLUG BACK			
SPUD REPORT Date of Spud:	☐ PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION			
	☐ REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON			
☐ DRILLING REPORT	☐ TUBING REPAIR	U VENT OR FLARE	☐ WATER DISPOSAL ☐			
Report Date:	☐ WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION			
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Pit Closure			
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. The reserve pit on the referenced location was closed on 10/30/2009 as per the APD procedure. Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY November 10, 2009						
NAME (PLEASE PRINT) Mickenzie Gates	PHONE NUMBER 435 781-9145	TITLE Operations Clerk				
SIGNATURE	.55 /01 5115	DATE				
N/A		11/11/2009				